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P.T.O.





THE RE-SHAPING OF THE FAR EAST

BY
B. L. PUTNAM WEALE

AUTHOR OF "MANCHU AND MUSCOVITE"

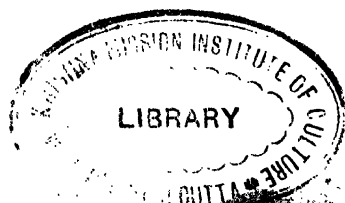
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B. L. PUTNAM WEALE.

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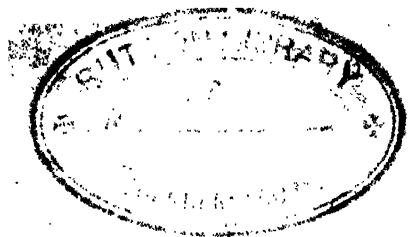
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**THE RE-SHAPING OF THE
FAR EAST**



A RUSSIAN TRENCH.

Front, Vol. II



CHAPTER XXIII .

NON-JAPANESE INTERESTS IN KOREA

IN Article I. of the treaty of Offensive and Defensive Alliance between Great Britain and Japan, the phrase occurs that "Japan, in addition to the interests which she possesses in China, is interested in a peculiar degree, politically as well as commercially, in Korea." In order to complete the discussion of the Korean question, and as a necessary complement to what precedes and follows, it is enlightening to refer rapidly to the interests Europe and America possess in the sometime Hermit Kingdom.

Taking, first, the interests of the lesser Powers, or, to be more correct, the Powers that are least interested in Korea, it will be soon seen that Russia, France, Germany, Italy, and Belgium, all of whom maintain diplomatic representatives in Seoul, have mainly what may be termed fictitious interests in the peninsula Empire. These interests, which it is convenient to classify in the order given above, are of that curious order recognised by some as an indigenous growth in such countries as Korea, Siam and Morocco. Such interests are but rank vegetation

which is only fit to be rooted out to make room for more honest plants. Scattered here and there by fussy little diplomats, the seeds from which has grown this curious crop have been ill-chosen for the political climate of Korea, and if the harvest has failed it is because diplomatists, accustomed to live in the unnatural world of gloomy papers and ink-covered memoranda, are in reality but poor farmers to trifle with God's earth.

Russian interests in Korea before the war were of a Gilbertian character, so amusing and so varied, and so unexpected, that it required no orchestra and printed score to dub them pure comic opera and nothing else. Since Russia had no *bonâ fide* interests in the country, it was the object of successive Ministers Resident and Ministers Plenipotentiary to create interests at all costs, and then, pointing to them proudly as accomplished facts, state that they entirely changed Japan's position in Korea. Thus from the year 1895—the year in which Russia stepped into the place vacated by China—everything possible has been tried and re-tried; and by dint of tremendous intriguing and tremendous advertising an atmosphere—for you can give it no more solid name—of Russian interests in Korea finally existed.

A commencement was first made when Russian officers and drill sergeants were placed at the disposal of the Korean Emperor, and the Korean army, a laughable quantity, was for a short time drilled by these men, whilst the Palace Guard was also commanded by a Russian captain. Then some-

thing happened ; an ex-American general, I believe, tendered at a lower rate, which the fickle Emperor accepted, and the commander of the Palace Guard was known no more. After this a Russo-Korean Bank was suddenly established, a Russian financial adviser appointed in Mr. McLeavy Brown's place, and for a moment it looked as if Russian financial interests would adequately protect them. Once again something happened on the backstairs of the Palace ; the Bank suddenly closed its doors ; the financial adviser retired to the questionable security of his own country, and Russian interest in Korean finance became as feeble as in military affairs.

Russian interests were in such danger of being totally extinguished that an Orthodox Church mission, arriving in Seoul in January, 1899, came in the nick of time and saved the situation ; but as this was not deemed sufficient to substantiate a Czar's claim to the Peninsula, smooth Monsieur Pavlow, a veritable stormy petrel for any Eastern capital to welcome, quietly took his place at the Russian Legation amidst noticeable Japanese concern. Under the new Minister's magic hand commercial and industrial interests grew almost with a spontaneous growth all over Korea. Whenever the Japanese frowned so forbiddingly as to make open attempts impossible or unwise, the Russian Minister threw all his weight on the side of the French Minister, and new French interests helped to solidify the Russian position.

Undismayed by the fact that finance was evidently not a field which invited Russian exploitation, the Russian Legation filled in many of its odd moments (when it was not too busy about the coaling-port in Southern Korea or the Yalu lumber concession) by demanding the establishment of a mint with all the necessary machinery and men purchased by Russian money. Then under the ægis of the Russian Legation all sorts of queer little enterprises, such as a glass factory, a cotton mill, and a porcelain factory, were either established or planned (it really did not matter very much which), whilst a host of advisers drawn from half the countries of Europe thronged Seoul and became the willing servants of the Russian Legation. Nor did Russian energy confine itself alone to enlisting the services of Europeans. Lady Orh, a fleshy Korean lady of doubtful antecedents, who is the original of the Emily Brown stated by the irresponsible Press of the world to be an American missionary's daughter, aided and abetted all Russian schemes; and we must assume that the impressive announcement made on the 23rd of September, 1901 (*vide* Chronicle of Korean Events), that she was raised to the high rank of Pee, was due to her pro-Russian tendencies and the fact that the Slav-Conservative party was in the ascendant. Not content with this honour, in November of 1902 a petition succeeded in obtaining for her the very exceptional title of Wi Pee. Russian diplomacy at this date was indeed succeeding beyond all expecta-

- tions. Hand in glove with such high friends at Court were influential men, such as the infamous but talented Yi-Yong-Yik; and these people, working together, succeeded in maintaining the Russian position and the Russian interests which had been created solely by intrigue.

The battle royal which raged round the question of the coaling-port demanded by Russia in Southern Korea only ended to be followed by the Yalu battle over the lumber concession. All the minor Russian enterprises started in Seoul were soon forgotten in the heat of the tremendous contest brought about by the Russian demand on the Yalu, to which full reference is made elsewhere, demands which contributed more than their due quota towards bringing on the war. It will suffice to say that when war finally broke out Russian interests in Korea were confined to some factories with their machinery but half-unpacked, certain shipping agencies for the empty steamers of the Volunteer and Chinese Eastern Railway fleets at the Korean ports, some lumber-stations on the Yalu, certain whale-fishing rights on the east coast of Korea, a crowd of half-paid advisers affiliated to the Russian Legation, and nothing else. It will be clear that even brilliant intriguing cannot create something out of nothing, and that of real interests Russia had as little at the time of the last phase of her remarkable career in Korea as she had during the first, which was very many years ago.

French interests in the much desired Peninsula

were undoubtedly superior to Russian interests. For although the French concession for the important Yalu-Seoul Railway had been allowed to lapse, the energy of the French and Russian representatives had succeeded in securing for French capital and French engineers the right to build this line for the Korean Government as a Korean Government enterprise, and a French-managed Railway Bureau was nominally functioning at Seoul at the time of the declaration of war. What has happened to this Bureau since no one exactly knows, as the Japanese army engineers have by now almost completed the concession without asking for permission. A Frenchman was also at the head of the Korean Post Office, an institution belonging to the International Postal Union, but sadly hampered by the competition of the Japanese Post Office. This French official is rated by everyone to have been a most conscientious and hard-working official, quite above petty intriguing, but his task has become an impossible one on account of his nationality and he is doomed. The French had also established a Government School of Mines and had some mining concessions—on paper. And then there were the French missionaries and their converts, perhaps forty or fifty priests and a few thousand Korean converts. The history of French Roman Catholicism in Korea is a long and tragic one, for attempts have been repeatedly made by the Koreans to drive the priests out of the country, but in spite of every difficulty they have always managed

ultimately to increase their power, and even to-day possess much wealth and influence. Finally there were also a certain number of French official and unofficial advisers. Sometimes the number was a respectable one, sometimes it fell to practically nothing, all depending very much on the state of the political barometer. On the Hankow-Peking Railway I had the pleasure of meeting an ex-commander of the Seoul Palace Guard in the person of an enormously fat *ancien sous officier* of the Tonkin *infanterie Coloniale*. He had been in office exactly three hours, he was wont to state to everybody's amusement, and then a Turk or somebody of that sort had displaced him.

Of German interests in Korea it is somewhat hard to speak. Doubtless in pursuance of the candid German open-door policy, Germany meddled in Korea simply to keep her mailed hand in training. The German open-door policy, as exemplified in the Far East, may be briefly explained as consisting in obtaining equal rights in countries or provinces under the influence of rival Powers, whilst shut-door tactics are applied wherever Germany has succeeded in convincing others that she possesses rights of pre-emption. It is a noble policy worthy of a United Germany, and fully calculated to gather the maximum number of rebuffs which it is possible for a first-class Power to receive in a minimum amount of time.

In Korea, therefore, these German interests consisted mainly in demanding equal rights.

Demands were made for mining concessions, for railway concessions, and for a share in the trade, although no German combination was very willing to exploit Korea. Rather unfortunately, perhaps, the demand for mining concessions was acceded to, and in 1898 power was given to a German company to select a place twenty miles long and twelve miles wide where mining operations could be conducted, provided the site was chosen within two years of the signing of the contract. The place was duly selected, but after an expenditure of many thousands of pounds the workings were abandoned as worthless and the German company returned to the happy Fatherland. It is believed that the German Legation also succeeded in securing the concession for the building of the Seoul-Wonsan railway, a line running from the capital to the most promising part of the east coast of Korea; but as the Japanese military engineers will probably have begun the construction of this line before these pages see print, there is evidently some vagueness in the original German arrangement. There is also one German commercial house at Chemulpo, one German Court doctor, and one German lady-housekeeper who looks after the Emperor's foreign furniture and title-deeds. This concludes Germany's vested interests.

The busy little Belgians, who are perhaps the most enigmatic quantity in the Far East, and who exploit, or wish to exploit, the Orient apparently for no reason except that their country is the most

densely populated in Europe, inviting therefore a movement abroad, were also in the market for interests in Korea. At the time of the outbreak of war they had several Government advisers in Korea, a prospective mining concession, and an expert coming from Charleroi to teach the Koreans how to blow glass; whilst in the French missions there were known to be several Belgian priests. Altogether the optimist cannot fail to allege that Belgian interests in Korea were in a most promising condition when war knocked everything on the head, as the Japanese have always had a curious suspicion that Belgium is working for something or somebody else, and that the absence of this little country is good for the health of nations. The same thing may possibly have been thought of in Persia.

Finally Italy, late in the field, had only sent a Count to Korea as Consul as tardily as December, 1901. He unfortunately died in the following year, but almost immediately another Count was found to succeed him. The time which elapsed between this date and the Port Arthur attack, sixteen months, was insufficient to create interests, and although a marine guard now protects the Consulate, Italy must be classed as even less successful than amiable little Belgium, in this respect.

Having completed a rapid survey of the trifling stakes which the continent of Europe held in Korea, it is time to speak of something more tangible.

The United States have a growing interest in the

trade of Korea, and considerable quantities of American manufactures and American products find their way in ever-increasing quantities to the Hermit Kingdom. By far the most important item of American trade is the import of American mineral oil. The quarterly total now amounts to approximately two million gallons, and although this is but a trifling amount compared with the quantities imported into other Far Eastern countries, it may be assumed that in the course of the next few years imports of this household necessity will expand until the yearly total runs into many tens of millions of gallons. No other mineral oil can successfully compete with the American product in the Far East, and the Koreans show an increasing appreciation of this excellent illuminant. Second in importance come American cotton manufactures. It is impossible to give exact quantities, as the Korean Customs have experienced considerable difficulty in the past in properly classifying the origin of imports; but it will suffice to say that this trade in cottons is a very important one which will tend to increase rather than diminish under the new Japanese *régime*.

In strong contrast to all other mining ventures in Korea, the great American mine at Unsan stands out as an example of what the mining industry of this country may become one day. The Unsan mine employs one hundred and fifty Japanese and Chinese, a hundred Europeans, and from four to five thousand Korean miners, and is an enormous success. The company has a paid-up capital of a

million sterling, and the area comprised within its concession is upwards of eight hundred square miles. Two hundred head of stamps are already at work, and the gold output has risen from £150,000 sterling in 1901 to more than double that figure. This mine will one day attract considerable attention. It is to be hoped that South African capitalists, who are already large shareholders in this concern, will enter the field independently when opportunities present themselves after the war.

The Seoul-Chemulpo railway, which has now been absorbed by the Japanese Fusan-Seoul trunk line, was originally an American venture built by American engineers, whilst the Seoul Electric Car Company and the Seoul Electric Light Company are also American concerns which have made large sums of money for their promoters and are managed by the American firm, Collbran and Bestwick, whose chiefs are the intimates of the Korean Emperor. The Japanese have used, and are still using, great quantities of American rails and materials in their railway invasion of Korea, and the magic names of Carnegie and Baldwin meet one's eyes everywhere. Then the American colony in Korea numbers fully two hundred and fifty people, and is therefore far larger than that of any other nationality excepting the Japanese. There are seventy or eighty Americans at the Unsan mines, several American firms, and a missionary society with numerous people attached. Indeed, it may be said that the American missionary body is

the most important in Korea and is really doing excellent work. Mr. Angus Hamilton, in his recent book on Korea, gravely suggests that the American mission stations might be turned into experimental farms, as the only possible way of doing any good. This is ungallant, as it was an ex-missionary lady who saved his life in the terrible account he gives in the last pages of his book, for, sad truth, the manager he refers to was a woman. As a matter of fact, the work being done by the American missionaries in Korea is quite admirable. Apart from proselytising, much time and energy are devoted to purely scholastic work, and in thus undertaking the special teaching of Korean children the American missionary has struck the true note. The Korean youth are the one hope of the country, and no one can gainsay the fact that if a system of compulsory education is introduced by the Japanese, the most remarkable change will be effected in the country in a very few years. Baby Koreans are smart, quick, warm-hearted, and happy. It is only the gloomy life of drudgery they are forced to live when they grow up which makes them sorry men and women. I believe the Japanese authorities are inclined to go as far as subsidising all mission schools, so convinced are they of the ultimate good they will do the country. This is strangely different from what Mr. Angus Hamilton would have people believe who have no knowledge of the Far East.

Though less important than American interests, British interests in Korea are somewhat different.



A KOREAN LADY.

[Face page 12, Vol. II.]

The actual number of British subjects in Korea is probably only half the number of the American, but the Anglo-Saxons in Korea live on the most intimate terms, and in this out of the way corner of the world it is easy to see that a common language and a common religion will sooner or later effect great things. At the present moment there are a number of Englishmen in the American missions in Korea, apart from independent bodies, and everywhere there is the closest harmony between the two kindred nations.

Because Korea has been absolutely neglected by British merchantdom in the past, it would seem but natural that England should have but little share in the trade of the country. But in this land of paradoxes the exact opposite is the case. The total of British cottons imported into Korea during the year 1904 reached 3,767,000 yen, or nearly £400,000, whilst Japanese cottons, manufactured only a stone's throw from the gates of Korea, had a net value of but 4,134,721 yen, or say £40,000 more than the British importation. When it is remembered that there is but one British firm in the whole of Korea, that no line of British steamers condescends to serve this market, and that Korea, which should be but forty-eight hours' steam from Shanghai—the warehouse of the Central Far East—is practically half a month away on account of the absence of nearly all steamer connections, the extraordinary nature of the result obtained may seem quite inexplicable. But an explanation will be given later on.

Before dealing with this interesting question, it is necessary to draw attention to the fact that in Korea, as in China, the Customs Service is a British controlled service modelled on the lines of the English Civil Services. So important do I esteem this question, and so little does it appear to be realised how firmly is England entrenched in every part of the Far East, including little-known Korea, that I make no apology for the extensive nature of the remarks which follow.

In 1883, as Treaties of Commerce had been signed with many of the Powers, it was necessary to place the commercial question on a proper basis. Accordingly Li Hung Chang, who was then Viceroy at Tientsien and oversaw the question of Chinese suzerainty in Korea, empowered Baron von Mollendorff, a German official in his employ, to organise the Korean Customs. Until September of the year 1885, it remained an independent service, but after that date Sir Robert Hart was requested to take over the establishment as a branch of his Chinese service. Accordingly a new official with the title of Chief Commissioner of Korean Customs was despatched from China together with a picked staff of assistants. Three Chief Commissioners held office prior to the appointment of the present incumbent, Mr. McLeavy Brown, C.M.G., who became head of the service in September, 1893.

The Chino-Japanese war, which freed Korea entirely from Chinese suzerainty claims, left the Korean Customs in a curiously anomalous position.

Nominally still under the direct control of Sir Robert Hart in Peking, it was of course absurd for a Chinese Government official to interfere in any way in Korean internal affairs. The Japanese, however, were only too glad to have a service in the country, necessarily opposed to the growing Russian influence, and from 1895 until now, Mr. McLeavy Brown, as Chief Commissioner of Korean Customs, has remained "linked" in a somewhat nebulous fashion to the Chinese Customs Service, his name being still borne on the active list of Sir Robert Hart's Commissioners, and his staff being largely augmented by men borrowed from the China Service.

From the moment Mr. McLeavy Brown arrived in Korea, it was apparent that a strong man had taken over the immediate control of revenue affairs, and that no matter what the original or actual status of the Korean Customs might be, it had become simply a McLeavy Brown Service, just as the Chinese Customs has always been merely a Sir Robert Hart Service and not part of the Chinese administration. Originally having to control the trade of but three ports, Chemulpo, Fusan, and Wonsan, the Chief Commissioner's task has since grown much greater. These first three ports were opened in 1883; in 1897 Chinampo and Mokpo had the same status conferred on them, and in 1899 Kunsan, Masampo, and Songchin made up a total of eight ports available for international trade. Very shortly Wiju and Yongampho will be also opened, and possibly some other ports on the east

coast. In very few years, therefore, the small Korean Customs Service will have grown to very respectable dimensions and will possess an importance for international trade which the Japanese cannot disguise from themselves.

In 1896 Mr. McLeavy Brown, in addition to his other duties, was placed by a Royal Decree in charge of Korean finances with results which were soon apparent. Tightening his fingers on the purse-strings, he refused to allow one spurious nickel to be disbursed except in the last extremity, and under his control surpluses and not deficits began to be the order of the day. As a consequence of this policy, Korea's only foreign loan—a Japanese 6 per cent. 3,000,000 yen loan—was all repaid excepting a balance of a quarter of a million yen which the Japanese Government specially arranged to leave outstanding for political reasons; whilst in addition rigid economy made it possible for the Chief Commissioner to carry out a revolutionary plan which provoked the most violent opposition. Seoul was cleaned up, hovels were torn down ruthlessly, splendid thoroughfares one hundred feet broad laid out, and well-metalled highways driven far out into the country. Arrangements were being made to extend the new roads through whole provinces when intrigue forced Mr. McLeavy Brown to throw up the position of Financial Adviser in favour of a Russian. He had, however, done such good work in the short time at his disposal that the results were far-reaching. Cart traffic has already begun

to have a most important effect on Korean trade and industry, and it is due almost entirely to the Chief Commissioner's initiative that this is the case.

Meanwhile the Korean Customs Service had grown considerably, until to-day it numbers 350 employees. Of these indoor and outdoor officials there are but fifteen British subjects, showing the impartiality which Englishmen may be relied upon to exhibit in the service of foreign countries. Amongst the others are six Germans, three Italians, three Americans, one Frenchman, two Norwegians, one Portuguese, ninety-five Japanese, twenty-three Chinese, and two hundred and one Koreans—a cosmopolitan gathering almost equal to that shown in Sir Robert Hart's service. English, however, is the official language, with Chinese, Japanese, and Korean as sub-languages. In every Custom House you will find Englishmen, Koreans, Japanese, and Chinese in their various national dresses, working harmoniously together and sublimely indifferent to the mist of "political situations" which surround them. To gaze at them whilst mighty battles are being fought in Manchuria, which must sooner or later influence them all, recalls to mind the Commissariat clerks labouring on their invoices before Sebastopol, who were heavily fined every time they left their desks to try and see something of the epoch-making events being thundered out a few miles beyond them.

The revenue which this Korean service collected in 1904 amounted to no less a sum than

1,845,250 yen, or say £185,000. Although no separate statistics are published showing the *provenance* of imports or the destination of exports, as an interesting experiment the Chief Commissioner ordered special tables to be prepared showing the nationality and origin of all foreign imports which entered Chemulpo and paid duty during the four months September, October, November, and December, 1904. I have already mentioned the fact that during 1904 nearly £400,000 worth of Manchester cottons entered Korea. This extraordinary investigation carried out at Chemulpo revealed conclusively that British imports entering this one port during these four months amounted to 2,206,234 yen—£220,000, or $35\frac{1}{2}$ per cent. of the total figure, 6,292,576 yen; while Japanese imports, considerably inflated by an extraordinary demand brought about by the large numbers of Japanese newly-arrived in the country, amounted to but forty per cent. of the whole. In other words, British imports were only $4\frac{1}{2}$ per cent. behind Japanese imports at the most important port of the country. Everyone will admit that this is a very gratifying and undeserved result, seeing the indifference with which Korea has been regarded by British merchants in the past. Moreover, it is believed in the Chief Commissioner's office that England may claim more than thirty-five per cent. per annum of the entire imports into Korea; and in favour of this contention the argument is advanced that during September, 1904, British imports into Chemulpo exceeded those

of Japanese origin and amounted to forty-one per cent. of the total importation.

Far behind this British and Japanese trade lags the commerce of other nations. In the four months which have been used as a basis for these calculations, China claimed thirteen per cent. of the imports: the United States $7\frac{1}{2}$ per cent.; Germany two per cent.; France less than half per cent.; whilst the other countries had only insignificant decimals to their credit. It may therefore be said that four nationalities, British, Japanese, Chinese, and American, control the trade of Korea.

It will have been noticed that China has thirteen per cent. of the imports of Chemulpo to her credit. Chinese merchants, long established at the open ports, conduct their own trade and compete fiercely with the Japanese. How is the large British import trade conducted? I have the honour to state that the Chinaman himself is pleased to represent Manchester and other British products, and, as a sapient middleman dealing at close prices, undersells Osaka, if necessary, to make a market. With Hongkong and the Straits Settlements, and now the Rand, depending largely on the Chinaman, most people would have imagined that England's indebtedness towards the yellow-skinned man finished there. It has never been, nor will it ever be, confined to such insignificant areas. Everywhere in the Far East the Chinaman represents what must be ultimately classed as British interests, and touts for British stuffs and manufactures because having used them

he knows that they are durable and, worth their price—and more the Far East does not seek to know. So long as good and solid workmanship remains the hall-mark of British manufactures, all the Far East will buy in quantities which will be only limited by the buying-power of the countries concerned. In Korea, an insignificant country about which very few know anything, the total British imports during 1904 reached £1,000,000 sterling, and this result was largely obtained by the help of the Chinese middleman, who, labouring under great difficulties, can yet undersell the Japanese if he wishes.

It is quite clear, however, that something should be immediately done to foster this trade. Proper steam-communication must be established between Shanghai and Chemulpo, and between Chefoo and all the Korean coast ports. Seeing that the vast majority of the ten millions of Korea wear undyed cotton clothes, and that the development of the country through the indirect agency of railways, manufactories, mining, and a reformed internal administration will be very rapid once the Japanese see their way more clearly than they do at present, the possibilities of the future in the matter of trade are very great. Already in 1904 the total of Korean commerce, imports and exports, reached the large figure of 52,240,974 yen, or more than five millions sterling. Assuming the population of the country to be ten millions, this trade is equal to ten shillings per head—already a noteworthy result. In

China the foreign trade is less than four shillings per head, and were China to have a trade amounting to half a sovereign for every person, like Korea, the grand total would amount to over £200,000,000, making China the fifth greatest trading country of the world. It is only such comparisons which allow one to understand the prime necessity of retaining the present impartial and absolutely honest Customs administrations of China and Korea, both of which are largely modelled on the English Civil Service, and both of which have had such able chiefs in the past.

Great Britain in Korea is represented, therefore, by an import trade of a million sterling per annum ; a Customs Service under the absolute control of an Englishman, Mr. McLeavy Brown, has definite interests in the welfare of the country ; whilst Chinese traders to the number of several thousands from the treaty ports of Tientsien, Chefoo, Shanghai, and Canton, all opened and developed by Englishmen, may be counted as an Anglo-Chinese asset in the country, in the absence of British merchants being responsible for the selling of British products. It behoves us to preserve those interests at all costs. An excellent and capable Minister in the person of Sir John Jordan watches over those interests and is fully alive to the necessity of protecting them by every means within his power. The principle is accepted by the Japanese that the Korean Customs Service must remain what it is at present, *i.e.* a service controlled by an Englishman. In this connection it is necessary to draw special

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attention to the great services rendered by such Englishmen not only to England, but to the Anglo-Saxon traditions of fair-play, impartiality, and personal integrity. With an absolutely free hand to do just as he may please, the Chief Commissioner has devoted all his energies to accumulating handsome reserves in his Customs coffers to provide against the rainy days which so constantly threaten Korea. From the funds he has in hand he is in a position to discharge all the outstanding obligations incurred by the Korean Government without proper approval or sanction. From these reserves an efficient lighthouse and harbour system is already being inaugurated, and within three or four years Korea may be as well off in this respect as China. The Chief Commissioner, of extraordinary toughness, although upwards of sixty years of age, is counted the best-informed and best-read man in the Far East. For a number of years, long before the days of *Times* editions, his sole recreation was many hours' reading a day of the *Encyclopædia Britannica*. It is not surprising, therefore, that there is no subject in the world on which he is not able to give a complete summary, and it is this knowledge which has rendered his position impregnable. Being possessed of considerable personal means, he showed his zeal during a period of monetary stringency some years ago by dispensing with his own salary in order to accumulate a special fund. Such single-hearted devotion to an Eastern country is only shown by Englishmen.

But although Mr. McLeavy Brown is willing to do so much for Korea, he has no two opinions of what is good for Koreans when they wish to become foolish. Being fearless to an extraordinary degree, his walking stick, rapidly wielded, has quelled Korean crowds at the risk of his life; and it was this British official who disarmed the Korean troops in Seoul before the outbreak of war by removing the guns and ammunition to a safe place, thus avoiding any possibility of a collision between Kuroki's force and the native levies. Simple ignorance cannot be responsible for the fact that the British Government has only rewarded the Chief Commissioner for his services by conferring on him a Companionship of St. Michael and St. George—a decoration which, however honourable, is also conferred on Government pilots in the Far East. The British fleet has hastily steamed to Korea more than once to prevent a Korean *coup d'état* unseating the worthy Chief Commissioner, and therefore the British Foreign Office must admit that, unless another "retreat" is contemplated, it is high time this remote corner of the world should be remembered.

Such is the exact position of the various foreign Powers in Korea to-day. Whilst Russian, French and German, Italian and Belgian interests are of the most trifling character, those of England and America are most certainly worth preserving at all costs. It is quite certain that the Washington State Department in the present strong hands will know

how to safeguard, no matter what may be the result of the war, the rights already acquired by Americans in Korea. Can one be so certain of His Majesty's Government? To any student of Far Eastern affairs there can be no such assurance; for the present ruinous conflict is nothing more than the direct outcome of the policy of effacement and actual retreat which has dominated Downing Street for ten long years. Whilst there is so much talk about the necessity of consolidating the interests of the component parts of the British Empire, it should not be lost sight of that in the past it has been the wilful neglect of the outposts of empire living in lonely places—the neglect of their advice and their advancement—which has brought so many complications in late years. The time is rapidly approaching when the fact will have to be recognised that where there are honest men, those men must be supported or our decline will come; and that it is not only those who are sitting in the very centre who contribute most towards maintaining the traditions and prestige of an empire on which the sun never sets.

CHAPTER XXIV

JAPAN IN KOREA

So many suppose that Japan in Korea is a modern development—at least a mere matter of decades—that it may come as a surprise to some to learn that the events of 1904, the invasion of Korea, are an almost exact duplication of what occurred in the third century of the Christian era, not to speak of the famous Hideyoshi expedition of the sixteenth century.

In the third century it was a mythical Empress bearing the appropriate name of Jingo who invaded Korea for the first time, and received a submission which endured more or less for eleven centuries. It was only at the end of the fourteenth century and the beginning of the fifteenth, when the Chinese Mings, at the zenith of their power, assisted a new Korean dynasty to establish itself firmly on the Korean throne and busied themselves consolidating that power by building city walls, fortified positions, and other aids to supremacy that the respect of the Hermit Kingdom for Japan, established so

summarily a thousand years before, dwindled and disappeared.

Then the Hideyoshi expedition, designed as much for the purpose of effecting conquests on the mainland of Asia as for chastising a refractory vassal, at length started on its terrible way. Whereas the records of the first expedition belong to the semi-mythical period, it requires no writings to prove the authenticity of the Hideyoshi campaign. The history of the invasion, which lasted for six long years (1592-1598), is written on the face of the country, and is clearly to be read to this day in the ruined cities, the absence of all art treasures, and the mean and humble huts which, scattered all over the country, sometimes in small numbers, sometimes in larger ones within old Chinese walls, are dignified with the name of villages and towns. It is the Hideyoshi campaign which earned for Japan that opprobrious epithet "the accursed nation" in Korea, and gave the islanders a reputation which they certainly no longer deserve.

Freed from the presence of the Japanese before the beginning of the seventeenth century by the sudden death of Hideyoshi and the appearance across the Yalu of large Chinese armies sent by the Mings to reinforce the defeated Korean forces which had attempted to stay the progress of the Japanese, the Koreans were pleased to resume the despatch of embassies bearing tribute to the Shogun's court. But whilst Hideyoshi at least

succeeded, even though it was at a hideous cost, in forcing the Korean rulers to resume the position of vassals towards Japan, they never forgot that since the Mings had placed the Ni Dynasty on the throne, China was the real suzerain power, whilst Japan was merely a country which had conquered but had been forced through exhaustion to withdraw.

For two and a half centuries relations remained on this vague footing, and the opening of Korea in 1876 to the trade of the world did nothing to alter the attitude which had been adopted towards China and Japan for so many countless decades. It is true that many nations followed the Japanese example of 1876 and concluded, as rapidly as circumstances would permit, identical commercial treaties with the Seoul Government, which gave birth to new interests and fashioned new relations with the outer world. But in spite of this, Korea, exactly as China had done before her, refused to allow modern developments to interfere with her archaic view of things, and so continued to regard the Peking Throne as the real suzerain power, whilst Japan remained a detested country to which it was merely necessary to pay certain stipulated respects in order to avoid reprisals. It was the knowledge of this which constantly served to irritate Japan and make her more and more determined, when circumstances would permit, once and for all to define her disputed paramountcy so clearly that it would be impossible to ignore it any longer.

To the Korean, saturated with Chinese culture and Chinese writings of the Ming period, the modern Japanese, who had so definitely and resolutely abandoned their ancient civilisation and gone over to the side of Europe, appeared not only as oppressors but also as traitors; and therefore, to oppose, trick, and besmirch them in every possible way were things which every self-respecting Korean should undertake to the best of his ability.

The extraordinary history of the two decades which elapsed before the Chino-Japanese war inaugurated a new period, and introduced an almost entirely new set of chessmen on the Korean board, is most easily understood when the things briefly touched upon above are kept clearly in view. Korea, secretly goaded on by China, herself too weak to undertake anything but a policy of pinpricks, constantly opposed Japan at every step, and sought to humiliate her and discredit her by steady and consistent opposition and retaliation. What a record twenty years of this policy show. Riots, burnings, murders, attacks, and plots of every description, in which the Japanese were invariably the victims of this strange hatred, fill every record. Listen to a few facts picked haphazard from a great mass of data.

In July, 1882, the Japanese Legation in Seoul was destroyed by a mob. Seven Japanese were killed, together with many of the Progressive Koreans. On their way down to Chemulpo, whither they were forced to flee, five more



KOREAN POLICE.



SERVANTS OUTSIDE A KOREAN YAMÉN.

(Face page 27, Vol. II)

Japanese were murdered. In the same year Korea was forced to pay a heavy indemnity, punish the malefactors, and send a special mission of apology to Japan; but in spite of this exactly two years later the Japanese Legation was again completely destroyed by a mob. Likewise, in 1884, an *émeute* followed a banquet given in honour of the opening of the Korean Post Office; high Conservative Korean officials were assassinated; the Progressives seized the Palace; the Foreign Representatives were invited there for safety but declined to go, the Japanese Minister alone proceeding there with 140 of his soldiers as an escort. No sooner had the Japanese party arrived than the Palace was attacked by 3,000 Korean soldiers and another 3,000 Chinese soldiery, as a counter-blow to the assassination of the men of the old *régime*." So precarious did the position in the Palace become that the Japanese detachment had to fire a mine and fight its way through once more to Chemulpo with their Minister and a trembling mass of Progressives in their midst. Then, so as the Japanese Legation should not suppose itself immune, it was once more burned to the ground by the infuriated Seoul mob. After this one might have expected anything, for the whole country was in an uproar, and a revolution seemed inevitable. The other Foreign Ministers once more fled to Chemulpo. Europeans were rescued with great difficulty from various parts of the country, and no one knew what the end

would be. In two weeks, however, a fresh Japanese Ambassador, accompanied by 2,500 Japanese troops, landed in Korea: and simultaneously with his arrival a high Chinese official, accompanied by 3,000 Chinese troops, appeared. Then for many weeks there were strange happenings. The leaders of the various *émeutes*, plots, and counter-plots were all arrested and impartially decapitated; various high Korean officials were declared rebels, and everybody, impeached by either the pro-Japanese Progressive party or the Chinese Conservatives; and through all this the Korean Royal Family moved uneasily from one Palace to another, not knowing what moment assassination might overtake it. Wild rumours of war between China and Japan circulated for many weeks, and the people, accustomed to general uneasiness but not to the great shocks of real warfare, trembled as they trod the streets.

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It was not until the Li Hung Chang-Ito Convention was signed in Tientsien in April, 1885, that the immediate prospects of war were removed; but the instrument was at best a *pis aller*, conferring as it did the right on both "suzerain" Powers to despatch troops to Korea, provided that due notice was given in advance, but, nevertheless leaving the main question of Korea's exact position in regard to the outside world untouched. But as a result of this convention it was possible for the main bodies of Japanese and Chinese troops

to re-embark, and three months after these events only Legation guards remained. On the very day, however, that the Japanese troops left the country, China obtained the telegraph monopoly in Korea, solely owing to the astuteness of Li Hung Chang, who, all-powerful in Tientsien, continued to direct the policy of the able Chinese Imperial Residents at the Korean Court and incited them to oppose the Japanese.

For nine long years, although the thrice-repeated burning of the Japanese Legation seemed to have exhausted the incendiary proclivities of the Seoul malcontents, it is one continuous story of bickerings and quarrellings, which only stopped short of armed collisions because neither party, Chinese Conservatives nor the Japanese Progressives, was yet prepared to risk all on one throw of the dice. Korea, by this time thoroughly convinced that Japan had thrown herself definitely on the side of progress and reform, and was determined to sweep away at all costs the old corrupt order of things, instinctively inclined more and more towards China; and China on her part, completely led by Li Hung Chang, saw that she was always represented at the Korean capital by a determined and astute agent, who, as Chinese Imperial Resident, maintained a controlling voice in all matters concerning Korean internal policy, and was able to influence materially the attitude of the Korean Court on vital matters which were really beyond his province.

Under such circumstances Japanese irritation increased steadily. Powerless to check the ceaseless scheming of Chinese diplomacy, and left the sport of absurd incidents, successive Japanese Ministers left Korea in an angry frame of mind with their reputations besmirched; and by the violence of their language, once they were face to face with sympathetic audiences in their own country, fanned the flames which only awaited the gust of ill-fortune to leap skywards and make Korea the cockpit of the East.

Fortunately Japan's internal troubles over the revision of her treaties absorbed most of her attention; but with the signature of the Anglo-Japanese Kimberley-Aoki Convention of 1894, conceding to Japan the judicial and tariff autonomy she had so long desired, and the certainty that the rest of Europe would have to follow England's example, it became clear that the time was rapidly approaching when Korean affairs would have to be taken in hand and placed on a more equitable and satisfactory footing, or war would result. In other words, Japan was absolutely determined to decide once and for all whether Peking or Tokyo was to control Korea's fortunes.

Matters reached a crisis in this year, 1894. The Tonghaks, who may be best described as a secret society of ne'er-do-wells on the approved Chinese pattern, rose in the spring of that year and successfully opposed the Korean troops who were sent to crush them. The Korean Government became

alarmed and turned to the all-powerful Chinese Resident, who loaded the Chinese-Korean telegraphs with urgent messages to Li Hung Chang representing the state of affairs as one demanding immediate attention. On the 8th June 2,000 of Li Hung Chang's foreign-drilled troops arrived at Asan anchorage, disembarked and commenced preparations for the march on Seoul. But before they had started, 500 Japanese marines, who had landed at Chemulpo, reached Seoul; and following promptly in their train came battalion after battalion of Japanese infantry from over the seas, who entrenched themselves around the capital and prepared for the worst. It was plain that a great crisis had arisen, and that Japan was determined to strike if necessary.

By the end of June there were over 5,000 Japanese troops in Seoul. On the 18th July 1,500 more Japanese arrived at Chemulpo, and commenced occupying strategic points around the capital. The Japanese representative then notified the Korean Government that a wholesale reform in the peninsula's administration must be at once undertaken, or else Japan would consider herself free to act in any way she deemed necessary to protect her own interests. The Korean Government in spite of the threatening outlook still reposed in blissful ignorance of what was to happen, and therefore not only demurred but secretly sought the advice of the Chinese Resident. This high official, in spite of the fact that Japan had already notified the Peking

Government that she definitely refused once and for all to recognise China's so-called suzerainty, called for more troops from Tientsien. On the 25th July the ill-fated British steamer *Kowshing*, carrying Chinese reinforcements to Asan from Tientsien and convoyed by Chinese warships, was met a short distance out at sea by a Japanese squadron. Peremptorily ordered to surrender, the Chinese military commanders on board the *Kowshing* refused to obey, and thereupon the Japanese immediately opened fire and sunk the transport, thus drowning the majority of the soldiery crowding her decks. The war with China had at last come.

On the 28th July the Japanese Generals called on the Chinese Commanders at Asan, which is but a few miles from Chemulpo, to evacuate the country. The Chinese again refused; the Japanese attacked them in greatly superior numbers and were completely victorious. On the 1st August Japan issued her declaration of war against China; on the 15th September the battle of Pingyang was fought; on the 17th of the same month the naval battle off Yalu took place; and finally on the 5th October the Japanese land forces occupied Anju and drove the last Chinese soldiers out of Korea. Henceforth the campaign was a Manchurian one, and Japan was free to act as she pleased in Korea. The results were not altogether pleasant. Leaders of the Korean Conservative party were mysteriously assassinated,—at whose instigation has never been

quite clear,—and exiled officials, who had fled the country on account of their progressive tendencies, returned in force to be reinstated in office as the chief members of the reformed Korean Cabinet. The Korean King, who had not yet promoted himself Emperor, took an oath in a public ceremony of great solemnity to support the newly-organised Government, and at the beginning of 1895 he was promulgating new laws based on the most approved principles. But by the middle of the same year the inevitable reaction occurred. Arrests began to reoccur. Pak Yong Hio, the chief of the reformed Cabinet, was declared a traitor and once more fled the country, whilst Ming Yung Chun, head of the Government during the Tonghak rebellion, returned from China, where he had sought refuge, and Japan found that in spite of her successful campaign on land and sea, and the various diplomatic instruments which had been signed on the conclusion of peace, she occupied by the autumn of 1895 much the same position in Korea as she had filled before the war.

It was no doubt this which inspired the appointment of the ill-famed Viscount Miura as Envoy Extraordinary and Minister Plenipotentiary to the Seoul Court. A man of the most pronounced reactionary views and breathing the spirit of fierce old Japan, he set to work in a characteristic manner to stay, if possible, the rapid decline of Japanese prestige and power in Korea. The tragic result is well known. Five weeks after his appointment to

Seoul, the Queen, some high Court officials, and many of her attendants were foully murdered by a band of armed assassins, accompanied by Japanese soshi and disguised soldiers, who broke into the Palace at dead of night and perpetrated their dread deeds with a brutality which was heart-rending. Terrified by these events the King locked himself up in his Palace, and many high officials sought sanctuary in the United States Legation. Foreign warships collected once more at Chemulpo, Legation guards were marched up, and all Seoul was again in a greater turmoil than it had ever been before.

Under circumstances of such a disastrous nature, Japan acted as best she could. Viscount Miura, on whom such suspicion was fixed, was recalled in disgrace, never to receive another Government appointment, and Baron Komura, new Minister of Foreign Affairs in the Tokyo Cabinet, and then one of the most promising and honourable of the new generation of Japanese statesmen, appointed in his stead. But it was too late. The King had received a shock from which he could never recover, for like most weak men he had always been entirely under the influence of the women of his Palace; and the Conservatives, instead of being weakened by the loss of the Queen Consort, had their cause more strengthened by the tragedy than any other event could have done. Henceforth, like Italy under the Austrians, the placid Koreans dreamed of a liberated Korea which, freed from the ambitions of neighbour-



THE EMPEROR OF KOREA AND HIS SON

ing States, would be able once more to exercise a control over its own territories.

For many weeks after the assassination of the Korean Queen the situation in Seoul showed no signs of improvement. Indeed, on the 27th November a night attack was made on the Kyung Pok Palace to rescue the King from the virtual imprisonment in which he was held by the revolutionary Progressives. The failure of the plan led to the adoption of a more startling one. On the 9th February, 1896, the Russian Legation received a heavy addition to the Legation garrison from its warships lying at Chemulpo, and two days later the King and the Crown Prince escaping suddenly from their prison-palaces in the night were welcomed with open arms by the Russian Minister. No such diplomatic triumph had ever been obtained before in Seoul, for with a powerful Russian Marine Guard keeping the closest watch day and night, the King at last felt safe, and in his joy at his deliverance soon made it known that he was also strongly disposed to put his kingdom in the same keeping. Thus the Tokyo Government had so mishandled a situation which was really no impossible one to deal with, that eighteen months after the war with China, Russia was entrenched more powerfully than China had ever been in Korea—thus making the net results of a conflict which had cost Japan at least £30,000,000 absolutely nil.

Nor was it possible for the Tokyo Government to shut its eyes to what had happened, for its entire

discomfiture had been so loudly advertised by the retrocession of the Liaotung territory, and the pro-Russian declarations and tendencies of the Korean Court were so noised abroad, that every peasant and workman in Japan knew what had happened. The feelings of the Japanese populace were clearly reflected in a serious recrudescence of anti-foreign feeling all over the Island Empire, which the authorities were powerless to hide. But in spite of all this the Mikado's advisers once more rose to the occasion, as they had always done since the opening of Japan whenever great issues were at stake, and gave the first evidences of an attitude which eight years later has aroused the admiration of the entire world during the long-drawn-out agony of the recent Russo-Japanese negotiations. They decided at once that they must regain their lost position in Korea by a patient, honourable, and consistent effort, and that such a policy alone would win back the esteem of the Korean Court and people. It is believed that Baron Komura was largely responsible for such a momentous decision.

The flight of the King of Korea to the Russian Legation, following after a series of highly discreditable events, proved ultimately a most important turning point in the affairs of the distraught kingdom. The Japanese saw at last clearly that there was but one policy to follow, and in the well-known Waeber-Komura Convention, modified and ratified a month later as the Lebanoff-Yamagata agreement, we see the first evidences of the new policy. In the con-

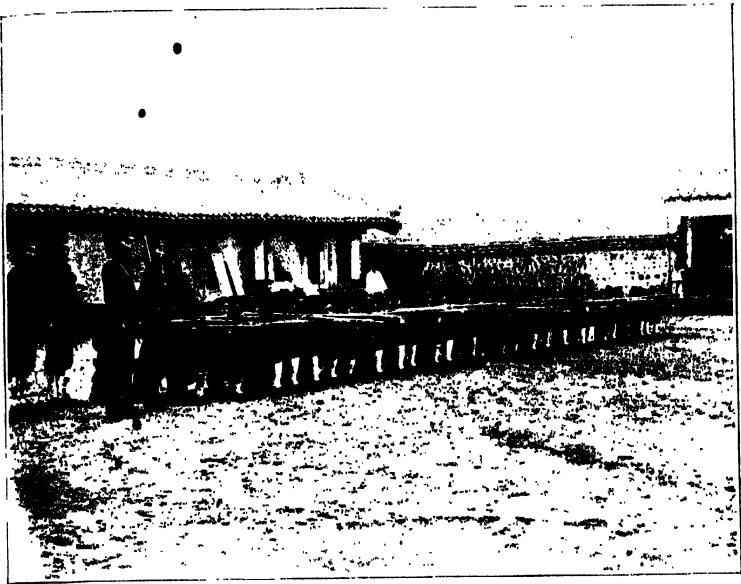
vention signed by the Russian and Japanese plenipotentiaries at the Korean capital on the 13th May 1896, the right of both Powers to maintain a maximum force of eight hundred troops for the protection of their respective Legations and commercial settlements was established, pending the restoration of order; and in addition to this Japan was granted the right to patrol the military telegraph line she had built between Fusan and the capital with a force of two hundred gendarmes. Japan had, as far as was then possible, placed things on an equitable basis and had inaugurated her new policy. The Lebanoff-Yamagata agreement was but a ratification and confirmation of the first instrument.

Baron Komura left Seoul at the end of May, and it would seem as if his departure was the signal for increased Russian activity, in spite of the apparent frankness with which Monsieur Waeber, the Russian Plenipotentiary, had met Baron Komura's first overtures. On the 4th July of the same year a concession for a railway which would unite Seoul with Wiju on the Yalu was granted to a French syndicate, a move which it was easy to interpret. The Russians, finding it awkward to show so soon how lightly they esteemed the honourable advances of the Japanese, put forward a so-called French syndicate as a mask to their real attitude. It has long been understood in the Far East that the Franco-Belgian concessions, obtained largely owing to Russian initiative and support, would be shared on a profit-sharing basis

by the dual alliance should the Muscovite programme be completed.

The granting of this concession and the subsequent Russian intriguing in Southern Korea disclosed the extreme limits of Russian ambition: a desire to have the capital of Korea united to the Siberian railway system and to possess a fortified coal-station at the extreme end of the Korean boot, so as to link Vladivostok properly with the Russian advance down the coasts of the Yellow Sea. All through 1896 Russians of note visited Seoul, to the intense irritation of the Japanese, who understood that their own advances had been accepted only to be ignored at heart. Monsieur Pokitilow, the genius of the then newly-organised Russo-Chinese Bank, came to Seoul, and later on Admiral Alexeieff, destined to become so famous, made repeated visits. And on the 24th October Colonel Potiata, three officers and ten non-commissioned men of the Russian army arrived to drill Korean troops—in order to establish order! The Russian forward policy of disorder had indeed begun.

To all these unfavourable signs Japan made no public reference, but in the spring of 1897 it is worth noticing that the Chemulpo-Seoul Railway, for the construction of which Mr. James Morse, an American capitalist then resident in Yokohama, had obtained a concession some time previously, was hurriedly commenced. With but three hundred miles of water separating Japan from Chemulpo and a railway connecting the coast-port with the capital, Japan would



KOREAN INFANTRY AT DRILL.



A KOREAN VILLAGE.

[Face page 40, Vol. II.]

still have the advantage over Russia even though the Manchurian-Korean railways ultimately connected Seoul with Siberia. Previous to this, Japanese diplomacy had been tirelessly at work to induce the Royal Family to remove from the evil influences of the Russian Legation to the Ching Dong Palace. On the 27th February, 1897, after an absence of almost exactly one year, the King and his *entourage* once more moved back to more suitable surroundings, although Colonel Potiata, the chief Russian military instructor, was for the time being placed in command of the Palace Guard. Already Russian influence was waning, for in the autumn of the same year only the most violent scenes succeeded in inducing the Korean Government to sanction the appointment of thirteen additional Russian officers to help in the drilling of the reformed Korean army, which Muscovite diplomatists foolishly hoped would some day help prove a valuable ally. It was at this time that Mr. McLeavy Brown was displaced from his position of Financial Adviser, and a Russian named Alexeieff instated in his place, whilst the short-lived Russo-Korean Bank, created only to collapse, opened its doors. Russian influence was clearly on the wane.

The explanation of these things is to be found by turning to the Japanese. In October, 1877, the King of Korea announced his intention of assuming the title of Emperor, and almost immediately he was crowned at the Imperial Round Hill in the midst of surroundings which the Japanese took good care

were highly impressive and significant. The Japanese Government at once recognised the Imperial title, and by such action forced the other Powers to follow the example set. Slowly but surely the Komura policy was gaining ground. In December of 1897 Japan scored another success by the mortgage of the Seoul-Fusan Railway to a Japanese Bank, which shortly afterwards turned it over to an influential Syndicate headed by Baron Shibusawa, the Tokyo millionaire. Finally, in 1898, Baron Nishi, the Japanese Minister of Foreign Affairs, concluded the well-known Nishi-Rosen Agreement at Tokyo with Baron Rosen, the Russian Minister, in which both Governments concerned recognised the sovereignty and entire independence of Korea, and mutually pledged themselves to abstain from all direct interference in its internal affairs; whilst Russia further undertook not to obstruct the development of industrial and commercial relations between Japan and Korea. It was a diplomatic victory, of that type which prepared the ground for further action.

In April of 1898 the Russo-Korean Bank closed its doors, the Russian Financial Adviser left, the military instructors packed their bags, and the Russian Legation finally dispensed with its formidable Marine Guard. The visit of Baron Shibusawa to Seoul was shortly followed by the granting of a concession to a Japanese Syndicate for the building of a railway to connect Seoul with Fusan, and Japanese trade and industry now showed a marked increase.

Meanwhile, the Port Arthur leasing agreement had been signed in Peking, and Russia, with her position in Manchuria practically assured owing to the entire failure of British diplomacy in the Far East, and with France and Germany, together with the lesser Continental Powers, forming up behind her, determined, although still outwardly adhering to the terms of the various agreements concluded with Japan, to continue her policy of gradual insinuation into Korea, adopting different methods. The timidity of the British Foreign Office was more responsible for this important decision than it would be discreet to divulge ; for once it became clear that England was really a negligible quantity north of the Yangtse, it was obviously absurd to fear Japan.

On the 18th January, Monsieur Pavlow, with his Peking laurels still fresh on his brows, entered Seoul, and his masterly diplomatic hand soon made itself felt. Four points required his immediate attention : the obtaining of a definite foothold for Russia on the Yalu ; the securing that the Yalu-Seoul Railway—for which a French syndicate, as has already been noted, held the concession—should not pass into Japanese hands ; the strengthening of the Russian position in Seoul by the creation of fictitious Russian interests ; and, finally, the lease of a coaling station in the extreme south of Korea. Round these four points the almost silent Russo-Japanese battle in Korea fiercely raged, the balance swaying now this way and now that, but with the Japanese dead-weight of substantial interests and legitimate aspirations

being often more than outweighed by the really exceptional diplomatic ability, persistence, and knowledge of character possessed by the brilliant Russian Minister.

It is impossible to chronicle the doings of the five long years beginning in January, 1900, and ending only with the expulsion of the Russian Minister from Korea in February, 1904; for such a record would alone fill an entire volume. But a few salient facts may be picked out to show the parlous position to which Japan in Korea was once more reduced by the incessant working and scheming of one man representing the powerful St. Petersburg Forward Party, which, recognising that the time for action had arrived, had brought about the appointment of Monsieur Pavlow in order to regain the ground lost in 1898.

Although the French railway concession was nominally surrendered in January, 1899, this cancellation, regarded as a Japanese diplomatic victory, was in reality only an example of Monsieur Pavlow's *finesse*. The French syndicate withdrew its claim on the distinct understanding that the Korean Government would itself take over the building of the road, employing only French engineers and French materials for the work. Accordingly, a Railway Bureau was created, styled "Bureau des Chemins de fer du Nord-Ouest, Maison Impériale de Corée," with French engineers and employees; and although little work was done, effective steps were thus taken to prevent the passing of the Yalu Railway into Japanese hands. With this railway safe,

attention could be concentrated on more important matters. The question of a coaling station in Southern^{*} Korea immediately became acute, and week after week and month after month Japanese diplomacy was almost entirely engaged in thwarting the audacious Russian attempt to establish a fortified base within a few hours' steam of the Japanese coasts.

Already, in June, 1898, the Korean Government had been induced to announce that Masampo, on which Russia had so long cast envious eyes, was about to be made an open port ; but even after this it was not until the autumn of 1899 that the settlement plans and regulations were signed ; and even then the strenuous opposition of the Russian Minister, aided by his tool the Korean Minister, Yi Yong Yik, prevented anything effective being done beyond the making of paper plans. In April, 1900, seeing that the unconditional lease of the entire harbour was out of the question, Monsieur Pavlow succeeded in obtaining the grant of a special Russian settlement, and a coaling depôt with a number of Russians attached was established shortly afterwards. Convinced by the violence of the Japanese opposition that very little progress could be expected for many years in the matter of Masampo, Russian endeavours were turned into other channels, whilst Masampo was artfully kept an open sore by constant prodding and intriguing, with the idea that it would at once serve the double purpose of distracting Japanese attention^{*} and covering the development of other plans elsewhere.

From 1901 to 1904 it is one long story of intrigue and counter-intrigue, always centring round the Russian Legation and dealing in every imaginable form of concession-privilege or preferential rights, in which all the Powers favourable to Russia played major or minor parts, and in which the one object was to nullify Japan. Especially was this the case with France, who stepped into the breach and played the part of the gallant ally whenever the Japanese attitude became too threatening for even Monsieur Pavlow to feel comfortable. Thus we have continual stories of abortive French loans guaranteed on the Customs revenues; Franco-Korean postal arrangements; a French-directed school of mines, and special French and Belgian advisers appointed to places where they were not in the least needed.

In 1902 the need for the strengthening of Russian influence in Seoul and immediate creation of fictitious interests must have seemed advisable, for Russian experts began to arrive for the purpose of establishing a cotton mill; whilst the amiable French, responding to the Korean invitation, despatched men from the Sèvres factory to open a porcelain works! In such curious fashion does diplomacy in the Far East express itself.

It was not until the middle of 1902 that the fourth point in the Russian programme sprang into great prominence, and although it was the last to be dealt with it soon became by far the most important of all. This is the famous question of the Yalu Lumber

MASAMPO THE PEKLES HARBOR.



Company, a question which contributed largely to the outbreak of war—although it does not possess the transcendent importance given to it by writers without a complete understanding of the history of the Far East during the last decade.

The facts are very briefly as follows: In 1896, whilst the King of Korea was still a refugee at the Russian Legation, a timber-felling concession was granted for a period of five years to a Russian subject whose name is unimportant. In April, 1901, the efforts of Monsieur Pavlow succeeded in obtaining an extension of the concession period to twenty years, and on the strength of this the Yalu Lumber Company was organised in Russia with a capital which is believed to have been five million roubles, or half a million sterling. In June, 1902, Baron Gabriel de Gunsberg, a Russian secret agent well known in the Far East, definitely took up residence in Seoul, and his arrival was the signal for the commencement of the extraordinary battle which raged continually almost up to the very day of the outbreak of war. The Japanese Government, understanding that it could not bring the same influence to bear on a question concerning the Manchurian-Korean frontier as had been the case of the coaling station in Southern Korea, because of the presence of the Russians in the adjacent Chinese provinces, immediately prepared to concentrate its entire attention on this latest development, and both parties contested henceforth with increasing bitterness a matter whose intrinsic value has been largely over-estimated.

The first sign we have of the underground battle was in November of 1902, when the infamous Yi Yong Yik, Minister of the Imperial Korean Estates, fled suddenly to the Russian Legation. On the 14th December he was banished by decree to his country home; on the 16th re-instated in office, and on the same day he left for Port Arthur on a Russian gunboat for the purpose of buying Saigon rice! No comment is necessary, for the finger of Russian diplomacy sticks out prominently; and it is clear that Yi Yong Yik, in his confidential position of Minister of the Household, was attempting to over-ride the Korean Cabinet and persuade the Emperor into consolidating the Russian position on the Yalu. It was in 1902 that the portfolio of the Ministry of Foreign Affairs changed hands no less than nine times.

In April 1903 the formal opening of the Seoul office of the Yalu Lumber Company took place at the residence of Baron Gunsberg, and then events marched very rapidly. Directed simultaneously from Port Arthur and Seoul, parties of Russians began to appear in increasing numbers on the Yalu, and, boldly crossing the frontier river, established themselves on the Korean side as "lumber-camps." By July, the Russian Inspector in charge of these camps had concluded an agreement with the Korean superintendent appointed by the Seoul Government to oversee these matters, and it was learnt with dismay in Tokyo that the entire district of Yong-ampho, which, situated a dozen miles below Wiju,

commanded the entrance of the Yalu River, had been leased to the Russian company, and that a practical Russian monopoly was thus established over the entire lumber trade of the river by the insertion of a clause granting permission to purchase all rafts floated down-stream. Business was for once being combined with diplomacy. The artfulness of the Russian is apparent in this, for now the Russian Legation dealt directly with the Imperial Korean household and ignored the Ministry of Foreign Affairs.

Coupled with the fact that the second evacuation period (8th April, 1903) had already passed in Manchuria without being heeded in the slightest by the Russian authorities in spite of their solemn promises, and that, on the contrary, the Russian forces in the province of Fengtien, adjoining the Yalu, were even more numerous than they had been before, this news proved conclusively that Russia's action in Korea was no longer an isolated movement, depending on the ability of the Czar's Ministers at Seoul, but had become a concerted Manchurian-Korean movement, in which every step more or less synchronised with other steps, and that to lose more time would be fatal. Admiral Alexeieff's investiture with the pretentious title of Viceroy of the Far East in August, 1903, more than confirmed this. By a few manœuvres, from a simple lumber company had grown a situation which dwarfed everything else which had preceded in former years, and was a direct menace to Japan; for, once things were made secure in Manchuria

by the fortification of the mouth of the Yalu, the Wiju-Seoul railway could be taken seriously in hand, and in a couple of years Russia would become irresistible in the Korean capital.

It was under such circumstances that the direct Russo-Japanese negotiations, conducted by telegraph, began, and that the world at large, ignorant of the real position in Manchuria and Korea, failed to understand that a supreme moment had arrived—for, whilst Europe for various reasons was prepared to acquiesce in almost any Russian action, Japan had definitely made up her mind that unless the whole of Korea was considered inviolable there would be war.

Meanwhile fresh parties of lumbermen and Cossacks crossed the Yalu from the Manchurian side, establishing camps all down the river and connecting them by telegraph. The vigour of the Japanese protests forced the Korean authorities to destroy repeatedly this modern accessory to empire-building; but no sooner had one line been torn down than another was stretched in its place. The Russians had apparently also made up their minds. Soldiers and Cossacks continued to cross the river in small parties, and, distributing themselves along the frontier line, they at last openly began the building of defensive works.

In spite of the provisional Yongampho agreement signed by unofficial representatives of Russia and Korea, the Korean Foreign Office could not be induced to ratify the proposed lease; for in August

the Japanese Minister delivered what was virtually an ultimatum to Korea, and the Foreign Minister, even in the face of Monsieur Pavlow's threatening attitude, dared not move a single step. It was on the 27th August that the memorable visit of the Russian Plenipotentiary to the Korean Office occurred. Rising early, Monsieur Pavlow proceeded very suddenly to the Foreign Minister's office, and was there told that the latter had not yet arrived. Monsieur Pavlow, determined that he would win his point, said he would wait. But it was all in vain; for, apprised by special messenger of the terrible scene which would burst on him if he proceeded to the Government Offices, the weak-kneed Korean Minister for Foreign Affairs considered that discretion would be the better part of valour, and accordingly dropped in on the American Consul-General for a friendly chat. Safe in this asylum he stayed all day—finally falling asleep on a sofa in the evening, and only venturing forth after dark. His strategy had been excellent. Meanwhile the scene at the Foreign Office can be better imagined than described. With indomitable resolution Monsieur Pavlow sacrificed tiffin, tea, and finally his dinner, and for twelve long hours paced the ante-room. At length, famished by his long wait, at nine o'clock he went home—beaten. At ten o'clock the Minister for Foreign Affairs woke up, rubbed his eyes, adjusted his dress, and, convinced that the coast must now be clear, went tranquilly to his office and attended to the nation's affairs.—

Even Europe cannot challenge such excellent methods of business.

Irritations of this sort must have made the leaders of the Russian movement lose their sense of proportion, for matters on the Yalu were pushed forward in a most aggressive fashion. Emplacements for field artillery were openly prepared, barracks built, and a Marconi mast erected, whilst general fortification work went on along the Chinese side of the river. The Muscovite was rushing to his doom.

In October Mr. Hagiwara, the Secretary of the Japanese Legation in Seoul, proceeded to the Yalu region to make investigations, and the receipt of his detailed report in Tokyo early in November confirmed the worst suspicions of the Japanese. The Russians had come to stay ; of that there was no doubt ; and the Lumber Company, although it was in a certain sense a *bonâ fide* venture, seeing that some shareholders' money had been squandered, was in another nothing but a covering for military movements of the highest importance. Not content with violating the frontier on the Yalu, a large company of Russians under the command of four officers crossed the Tiumen River in Northern Korea, and established themselves openly on Korean territory. Operating simultaneously from Manchuria and the Primorsk or Pacific province, Russian parties of armed men were pushing slowly but surely forward, and becoming more and more of a menace to Korean integrity.

The negotiations being carried on between Tokyo

and St. Petersburg under such adverse circumstances could not but become more and more bitter, and by January, 1904, when battalion after battalion of Russian infantry was breaking camp at Port Arthur and marching for the Yalu, the situation was hopeless. When war broke out with the violence of a thunderclap it was really the occurrence of the inevitable. On the 9th of February the *Varyag* and the *Corietz* were sunk at Chemulpo; on the 10th war was declared; on the 12th Monsieur Pavlow was escorted by the Japanese from Seoul, and embarked at Chemulpo; and by the 15th the main body of the first Japanese army was rapidly landing in Korea.

Such is a brief *résumé* of events of world-wide interest. The reader, it is true, may well ask what all this has to do with the specific heading given to this chapter; but the answer is that the recital of events leading up to the war will have supplied the information and the background necessary to grasp the extraordinary and complicated nature of the heritage which the Japanese success, afloat and ashore, against Russia has placed in the hands of the Island Empire. For, ever since the Chino-Japanese war, the silent battle against Russian-promoted intrigues has entirely engrossed the attention of Japanese Ministers and Consuls in Korea to the exclusion of everything else. Thus the Seoul-Fusan Railway, for which a Japanese syndicate received the concession as far back as September, 1898, was scarcely more than begun

when war came, although five years had elapsed. Minor Japanese concessions had been pigeon-holed and almost forgotten, with so many weighty matters to attend to. Constantly opposed by a skilful diplomacy which was always breaking out in unexpected places, Japan had her hands full in keeping a childish and terror-stricken country from signing away its nominal independence; whilst at the treaty ports Japanese Consuls were forced to devote the major part of their time to intelligence work. Under such circumstances what follows may astonish, but is perfectly explicable in the light of events which have been already dealt with.

The first act of the Japanese Government, after the declaration of war against Russia had been launched, was to place matters in Korea on a definite and firm basis, consistent with the spirit of the repeated Russo-Japanese declarations and the preamble of the Anglo-Japanese alliance. Thus on the 23rd February, 1904, Mr. Hayashi, the able Japanese Minister to Korea, signed with Ye-Tchi-Yong, Korean Minister of Foreign Affairs, a Protocol consisting of six short articles—the full text of which may be found in the appendix. Dealing briefly with this important and honourable instrument—important because its terms cannot be violated without discredit to Japan; honourable because it re-affirms the sound policy inaugurated by Baron Komura in May, 1896, in the face of most distressing circumstances—it will be seen at a glance that it has the refreshing terseness

of the Anglo-Japanese Agreement, and is not encumbered with wordy clauses which obscure exact meanings and lead to mutual recriminations later on. The first article states that the Government of Korea shall place full confidence in the Government of Japan and adopt the advice of the latter in regard to improvements in the administration. The second, a significant one for Korean eyes, states that Japan ensures the safety and repose of the Imperial House of Korea. In the third the Government of Japan definitely guarantees the independence and territorial integrity of the Korean Empire. In the fourth article (which merits being tersely called "the third Power clause" on account of its frequent appearance in diplomatic instruments) Japan undertakes to protect Korea from the aggression of others, and to repress internal disturbances, Korea on her part giving full facilities to promote the necessary actions of the Imperial Japanese Government. The fifth article lays down the principle that no additional arrangements may be entered into with other Powers which impair the value of the present agreement. And, finally, article six, which is the most important from the purely internal point of view, provides that "details in connection with the present Protocol shall be arranged as circumstances may require between the Representative of Japan and the Minister of State for Foreign Affairs of Korea."

Here, therefore, is the mandate in full which gives Japan practically a free hand to set a much

upset house in order ; and this instrument, whose terms are of the highest importance in view of the systematic anti-Japanese campaign still continued in many quarters, must always be kept in view.

All February in Korea was taken up with the landing of large numbers of Japanese troops, who moved off as rapidly as possible in the direction of the Yalu. It was not until the 21st March that the headquarters of General Baron 'Kuroki' reached Pingyang and that Chinampo, one hundred and fifty miles to the north of Chemulpo, was substituted as the point of disembarkation of the expeditionary corps massing for the Yalu attack. As soon as the military had freed the environs of the capital of their presence, Marquis Ito as Special Ambassador of the Mikado to the Emperor of Korea appeared on the scenes, the exact date of his arrival being the 17th March. The greatest expectations were raised in Seoul and, indeed, all over the country by the visit of this great man ; for, being admittedly the Mikado's right hand (if such an expression is permissible in Japan), the champion of progress and sound development in the Far East, and the leading representative of purely civil power in Japan, Marquis Ito had it within his grasp to inaugurate a complete change in a much-distressed country. The violence of Russian intrigues had so disgusted Koreans and Europeans alike that they would have welcomed with open arms the immediate substitution of a clean and progressive *régime*.

Unfortunately the high hopes raised were doomed to disappointment. Marquis Ito's mission would appear to have been a purely personal one from Mikado to Emperor, conveying, from the most powerful of Eastern monarchs to the most feeble, sincere expressions of esteem and—nothing else.

March passed into April, April into May, and whilst the whole world was echoing with peals of praise for Kuroki's masterly passage of the Yalu, poor Korea appeared to be entirely forgotten. No change, indeed, had come over the honourable Japanese attitude; but that terrible thing, the certain precursor of reaction in public sentiment, stagnation, had appeared in undeniable form, and the visions of reform, progress, and sound development, conjured up by the orderly massing of the Japanese legions and the swift onslaught of Togo's squadrons, were rapidly fading into the thin air of Korea. As may be hinted at later on, the conduct and progress of military and naval campaigns made the Tokyo Departments of War encroach on what should have been from the very commencement a purely diplomatic and administrative field; and, indeed, so much did they overshadow the one object which should have been clearly kept in view—the immediate reform of the Korean bureaucracy—that a Spanish procrastination became the order of the day at Seoul.

The suspicion of a reaction, noticeable in April and May, deepened in June, became undeniable in July, and then like a thunderclap came the an-

nouncement of the Nagamori land-scheme. The Japanese military commanders in Korea had already created a certain uneasiness in simple minds; the passage of priceless months without the inception of administrative reforms had cooled the feelings of the most ardent lovers of reform in Korea's capital; the retention of the old "underground" machinery, which may have been once necessary, irritated Korean officials; and finally on top of all these untoward symptoms came, as I have written, the publication of the Nagamori land-scheme. Then there was no question of a mere reaction created by stagnation when everyone had expected activity; there was violent and savage opposition from all parties and from all provinces of the peninsular Empire. Korean public opinion—a public opinion worth considering seeing that the mass of the population have no comforts except pipe-smoking, and will, brute-like, suffer the rack uncomplainingly if driven into a corner—spoke out, and in a few days the Japanese work of years seemed in serious danger of being undone. "Yes," said everybody, in the fatalist spirit of the East, "it is the same as in the Chinese war ten years ago. First come the armies which stream north and strip the country of its labour; then there is quiet plotting intrigue, and finally the attempt to rob us of the land of our ancestors. Would the Russians have done that?"

Absurd as this reasoning will at once appear to the educated, who in their daily papers may con-

vince themselves of the extraordinary high ideals of the present Japanese Ministry and the impossibility of any change in what has become a fundamental policy in Korea, to the poor down-trodden Korean, such reasoning is not only not absurd, but it seems to be filled with the soundest logic ; for to him history always repeats itself, and everything in the world reoccurs countless times. Thus foolishly reasoning, the Korean, from the banks of the Yalu and Tumen rivers to the heel of his outjutting boot of land, heard tell of the land-scheme which was to take away nearly all those peaceful mountains and hills up to which his mournful eyes had looked so long, even though he could not cultivate them ; and the wrath which is not good for strangers filled his heart and still fills it.

But what is this Nagamori land-scheme? It is one of the most extraordinary concessions ever demanded by an obscure man, and since it has been a nine days' wonder, the draft document must be allowed to speak for itself.

1. " That the reclamation, rearrangement, improvements, and cultivation of forests, fields, and waste lands, exclusive of the grounds of Imperial mausolea, temple grounds, preserved forests, Government and private lands already reclaimed, shall be entrusted to Mr. Nagamori (the Japanese concessionnaire put forward).

2. " That the capital required for the enterprise shall be borne by Mr. Nagamori.

3. " That no similar concession shall be granted

to any other person by the Korean Imperial Estate Bureau.

4. "That the reclaimed lands shall be exempted from duty during the first five years, on the expiration of which term they are to be subject to a land-tax not higher than that applied to the lands possessed by the Koreans.

5. "That the details for the enterprise shall be agreed upon within six months after the signing of the agreement.

6. "That the term of the agreement shall be fifty years, subject to extension by mutual consent.

7. "That should the term be not extended, the Korean Government shall be bound to pay back to Mr. Nagamori the amount of the capital required, together with compound interest at the rate of 5 per cent. per annum.

8. "That the concession shall be transferable either to Mr. Nagamori's heirs or any other person."

The meaning of all this will be clear to anyone who has read what has been written about Korea generally. It is a land which is at once rich and poor—rich because the climate is good, water abundant, and the valleys rich; poor because five-sixths of the country is filled up with mountains and hills. Thus but one-sixth of the country is cultivated and covered by Korean title-deeds, whilst the other five-sixths was desired by Mr. Nagamori on a fifty years' lease, which in the Far East means eternity. The whole question would not be worth discussing were it

not for the fact that the Japanese Legation openly supported this land concession and insisted on the granting of it—which action is almost inexplicable and has certainly never been publicly accounted for. Fortunately the one redeeming point is that the Japanese Minister Plenipotentiary was away in Tokyo, absent on matters which will be presently referred to, and that it was Mr. Hagiwara, the Legation secretary who conducted the Yalu investigations, who supported the concession.

The Nāgamori scheme in any case rose at once to the dignity of a national question, and for weeks was acrimoniously discussed by all classes of men. As soon as instructions could come from Tokyo, the whole scheme was promptly dropped ; but the fact that the secretary of Legation responsible for the presenting of such a demand has not been transferred elsewhere is an oversight which is deemed significant by many people in Seoul.

Meanwhile, Mr. Hayashi, the really able Japanese Minister, who had been absent in Japan, returned, and at last the publication of a highly important document, which had been in his pocket for some time, was authorised. Bearing the date of the 22nd August, this document deals in three clauses with three vital matters. The first article provides that the Korean Government shall at once engage a Japanese financial adviser, who shall occupy the position of sole arbiter in all matters of Korean finance. The second makes the same arrangement for the Korean Foreign Office as had been made for

the Ministry of Finance in the first clause, with the distinction that whereas a Japanese was to be appointed to oversee the finances, a European adviser should be installed at the Foreign Office. Finally, the third clause stipulates that before concluding treaties or conventions with foreign Powers, the Korean Government shall consult the Japanese Government. This proves that European diplomacy was still active at Seoul.

Here, therefore, exactly half a year after the signature of what was practically an alliance treaty between Japan and Korea, we see the first signs of anything tangible in the way of reform. Six priceless months had been allowed to go by, unmarked by any measures calculated to reorganise the country and establish confidence, except by some show of militarism which no Easterners love; and during this time the powerful forces of intrigue and conservatism had been gathering strength. The Emperor of Korea and his chronically panic-stricken Court had been so primed with stories calculated to shake confidence in Japan and Japanese policy that the ground was no longer so favourable for the sowing of seed; the many reactionaries, who throng the capital and still maintain connections in China, had lost no time in pointing out that the check at Port Arthur was proof positive that the tide was turning in favour of the Russians, which would make an ugly outlook for those who too openly espoused the Mikado's cause; and there can be no doubt that in spite of all precautions Russian agents

were still in Seoul. When you add to all these things the tremendous influence which the abortive Nagamori scheme had on all minds, it will be patent that the Agreement of August, 1904, became known at a very unfortunate moment.

Under these circumstances it was not astonishing that I left Tokyo in the month of October, 1904, with the frank confession from those best entitled to know that Japanese policy in Korea had been a complete failure since the beginning of the war, and that great efforts would have to be made to restore things to a satisfactory condition. Korea is admittedly the Japanese South Africa—the grave of all good reputations; for in twenty years no less than fourteen successive Ministers have reigned at the Japanese Legation in Seoul, and in all but a few notable cases have been recalled with besmirched reputations. So distasteful has this office become that only the most determined men can hold it and not become discouraged.

It was with no little curiosity that in November I began a careful study on the main position of the battlefield of Japan's hopes and fears—Seoul—and it required but little investigation to be thoroughly convinced that Mr. Hayashi, the present Japanese Plenipotentiary, is emphatically the right man in the right place. Of medium height, square-jawed and determined, and yet possessing a Muscovite *finesse*, the Japanese Minister is a man who not only commands everyone's respect, but also their confidence and sympathy. Had his powers been larger and

his position more clearly defined, it is almost certain that much which is even now left undone would have long ago been brought to a successful termination. But the Japanese Government has yet to learn that Seoul cannot be managed from Tokyo.

By December both the nominees of the Japanese Government under the August Agreement had arrived in Seoul and were entering on their duties. For the delicate task of Financial Adviser the Tokyo authorities had selected a Japanese expert of some repute, Mr. Tanetaro Megata; and as Diplomatic Adviser (who it was stipulated should be a European) Mr. Durham White Stevens had been selected. The latter, an American diplomat, commanded the complete confidence of the Japanese Ministry. Originally a secretary of the American Legation in Tokyo, he had been for many years attached to the Japanese Legation at Washington, and had there shown himself a champion of Japan. The two best selections had undoubtedly been made, and by this careful carrying out of the first clauses of the August Agreement there was little danger of the third—the proviso that Korea should not enter into any open or secret arrangements with other Powers—being ignored.

Seeing that so few weeks have elapsed when I write, it is perhaps presumptuous to venture on any criticism of either of these two gentlemen, who sooner or later will have much to do with the welfare of the country; but since it is of the utmost importance that Japan should not only make good

her position in Korea, but gain as well the confidence and goodwill of all classes of the population before the termination of the great war, it is necessary to continue pointing out features which deserve immediate attention. Of Mr. Stevens, a discreet and patient diplomatist, but little has been heard, as the most difficult part of his task, the abolition of Korean Legations abroad, and the negotiations for the reduction of the Foreign Legations in Seoul to the rank of Consulates, is still to be worked out. But of Mr. Megata's manoeuvres all are already talking.

The worst feature in Korea is undoubtedly the deplorable condition of the country's finances. The fiscal disorder which holds sway from Seoul to Stamboul finds its most eloquent expression in the extreme Eastern end of the Asiatic mainland, Korea. Here you find a currency, or rather a collection of mock currencies, which have become so debased that they no longer deserve the name of money. Divided merely into various degrees of spuriousness, the Korean nickel, itself a filthy coin of extraordinary slimy appearance, is far surpassed by the copper cash of the provinces, which are mainly a compound of sand, iron, and dirt, and excite the laughter even of Chinese traders, themselves accustomed to minted atrocities of sufficiently startling character. Above these coins there are nothing but Japanese yen notes, the former silver dollars having been almost entirely withdrawn, and the other native coins being now non-existent. Customs payments

are made in Japanese yen notes ; a Japanese bank, the Dai Ichi Ginko, receives such payments at the treaty ports ; the new railways are carrying the money from one end of the country to the other, Japanese traders at inland places, like Taiko and Pingyang, carry all their capital in the same paper money, and lastly all Europeans use them. The moral is clear ; there must be something like the former Latin union between Japan and Korea in order to inaugurate the first great step in financial reform. Thus the creation of a National Bank of Korea under Japanese auspices, with branches at all the treaty ports and the important provincial centres, is an absolute necessity ; and conjointly with this must come the establishment of a Korean mint charged with entirely changing the coinage of the country. Hitherto there have been plenty of attempts at establishing cash and nickel factories, but the sooner these become distant memories, the better for the country.

With this Korean Bank and Korean mint properly organised, the payment and receipts of the Government can be properly overseen and accounted for and a *bonâ fide* yearly budget framed. And this step brings us to another which is worth dealing with frankly in view of the special circumstances surrounding it. It is the question of the Korean Customs and the part they must play in the new scheme of things.

A somewhat extensive reference has already been made to Mr. McLeavy Brown, the Chief Com-

missioner of Customs, and the autocratic position he occupies. Commanding the personal confidence of the Emperor of Korea and his immediate *entourage*, well acquainted with all the mysteries of the Palace, the resolute Chief Commissioner is impreguably entrenched in a position of great natural strength which has been further artificially increased by the undeniable diplomatic gifts which Mr. McLeavy Brown possesses. Jealous of the autocratic power he has wielded for many years in Seoul, he is a second Sir Robert^o Hart in every respect, and has combated no less successfully than his prototype the many intrigues which have been made to unseat him. When the appointment of Mr. Megata was announced it must have aroused no pleasant feelings, for the Chief Commissioner had been most unfairly ousted from the position of Financial Adviser at a time when he was doing excellent work. But, nevertheless, he was fully prepared to meet the new appointee half way, for Mr. McLeavy Brown, like every other sound money man in the Far East, is an ardent Japophil. Mr. Megata, indeed, intimated in his visit of ceremony that the intention of "reciprocating" was an idea which he also entertained. But in spite of this preliminary declaration, it required but a short stay in Seoul to see the new Financial Adviser relapse into the shadow-like attitude which is peculiar to the capitals of the Eastern countries and is the first sign that the "atmosphere" has once more proved unconquerable.

Nor is this attitude so hard to explain. The

Korean Customs is the one liquid asset of the country, the one well-administered branch of the revenue collecting departments, the one institution which has a reserve (rumoured to run into millions of yen) standing at its credit against future contingencies, and occupying the fortunate position it does; it is this revenue which perhaps, in Mr. Megata's eyes, should be sequestered for the prosecution of reform plans. The Chief Commissioner does not share the new Financial Adviser's views, at least not in their entirety; for until these reform plans are more fully developed, he has no intention of surrendering a control which he has exercised to the satisfaction of all classes of traders and officials. It will be at once seen that the clumsy handling of a delicate situation may be fraught with dangerous consequences, and the rumour which persistently circulated in Seoul during the end of 1904 that the Financial Adviser had brought in his train an expert of high rank from the Customs department of the Tokyo Ministry of Finance, although it was probably baseless, showed the way public opinion was already blowing.

Whilst, on one side, the Japanese Financial Adviser has been feeling his way in this important Customs matter, and attempting to gauge the strength of various elements in Seoul, on the other, he was ordering the Korean Ministry to go through ten years of the nation's accounts and present *résumés* of expenditure and receipt, so that he might be able to frame some reliable estimate of Korean resources

and the system of speculation in force. This preliminary investigation is very necessary.*

The Korean revenue amounts annually to a sum equal to ten million yen, or, say, a million sterling, which the expenditure always attempts, but with infrequent success, to exceed. The land-tax, as in all Eastern countries, is the great source of revenue, supplying in the case of Korea at least 80 per cent. of the total amount annually collected ; whilst second in importance come the Customs receipts, which may be said to be 15 per cent. of the whole. Supposing the first great source of revenue were to be administered as cleanly as the second, it would be simple work to change completely the entire condition of Korea. It would seem, therefore, whilst the Japanese have the opportunity, that the survey of Korea and the careful remeasurement of all cultivated ground should be undertaken without loss of time as one of the very first measures necessary if Korean finance is to be placed on a solid basis. It is reasonable to suppose that at least forty to sixty per cent. of the revenue actually collected is "lost," as is the case in China ; whilst probably another twenty per cent. of the land under cultivation escapes all taxation owing to the secret conniving of the Yangban or nobles, who possess large landed estates, and, exercising some influence at the corrupt Court, can terrorise impecunious territorial officials into filing false returns. Assuming that Korea has an area of 82,000 square miles, it is reasonable to suppose that one-fifth, or, say, ten million acres, are either cultivated

or occupied by towns or buildings, and that equitable taxation should produce from 15,000,000 yen to 20,000,000 yen, or, say, at least twice the present sum, thus providing a surplus from which the improvement of communications, &c., could be paid. The investigation of such an important question should therefore be proceeded with immediately, now that everything is over-ripe for action, and no time should be lost in the prosecution of shadowy schemes. The creation of a national Bank of Korea, the establishment of a Korean mint, simultaneously with the announcement of a monetary union between the peninsular and island empires and of the survey of Korea, would soon pave the way to other reform.

It will perhaps have been already realised what an important effect Japanese railway enterprise is having on the country. Districts which were practically sealed to the outer world are being rapidly placed within a few hours of the coast ports—a state of affairs so satisfactory that large increases in trade will inevitably take place. But quite as important as the building of railways is the cutting of broad cart roads through all inland districts—roads which would soon act as feeders to the railways. During Mr. McLeavy Brown's brief tenure of office as Financial Adviser before Russian intrigues unseated him, it was due to his initiative that the splendid highways leading into Seoul were made. Scoffed at eight years ago, these roads now bear eloquent evidence of the crying necessity which existed for

better communication. To-day great bullock-carts crowd the thoroughfares from early morning to late night, conveying country produce and building materials to the capital in immense quantities, and carrying back to outlying districts the imports from abroad. Ten or twenty thousand miles of such good country roads would bring about an immense development in Korea and tend to remove the stagnation which exists in rich valleys simply because they are cut off from the outer world.

Thus the more one examines the whole question the more convinced does one become of two things in Korea to-day : first, that there is an immense amount to be accomplished, and, second, that it can all be done with the utmost ease so long as there is hearty co-operation amongst those who now occupy positions of trust and power. And not only this, but the various factions which now gaze at one another suspiciously can be fused into one harmonious whole with very little give and take on either side. But it is from the non-Korean side that the first movement must be made.

To-day there are five men in Korea who count. Taking them one by one they are : General Hasagawa, the Japanese Commander-in-Chief in Korea, Mr. Hayashi, the Japanese Minister Plenipotentiary, Mr. McLeavy Brown, the Chief Commissioner of Customs, Mr. Megata, the Financial Adviser, and Mr. Stevens, the Diplomatic Adviser. At present each of these officials is acting much as the Russian chiefs representing the various St. Peters-

burg Ministries in Manchuria before the great war acted—that is, without being actually at loggerheads, each one is desirous of working out his own ideas and is not entirely enchanted with the ideas of his neighbour. Although the war-wave has swept far away from Korea, the Tokyo Government as late as October, 1904, made an important change in the matter of the military command. General Hasagawa, who commanded the picked Guards Division in Manchuria, was recalled, and after some important interviews in Tokyo was appointed Commander-in-Chief of the Japanese army of occupation in Korea, with the understanding that the force under his command would soon exceed a division. To an impartial critic the appointment would seem to have been unfortunate; for, fresh from the scenes of triumph, General Hasagawa, who is a soldier of the Moltke type, has chafed at his enforced inaction in Seoul, and has viewed with a growing irritation, as every soldier would, the suspicion and hostility which still exist *sub rosa* towards the Japanese everywhere in the Korean capital. Such suspicion and hostility are but natural where a Court-party, nominally still supreme, feels itself powerless to do anything but indulge in petty spites. Now that energetic measures are being taken by the Japanese to rid the Northern Hamkyông province of the small Russian forces which moved down there soon after the commencement of the war from Vladivostok and quartered themselves on the Korean inhabitants, the necessity of having such a military

officer in Korea will soon have disappeared ; and, if in his place came one of those polished Japanese military attachés from a European capital, accustomed to the diplomatic world, who would soon fit himself into the peculiar Korean scheme of things, it would be found that more progress would be made than is possible under a bluff soldier with a reputation.

And although no change is necessary or advisable at the Japanese Legation—I have already stated my opinion very definitely on this matter—a change of title or, perhaps more correctly, an addition to the present title of the Japanese Plenipotentiary would be a wise move. Mr. Hayashi since the war is not only an Envoy Extraordinary but an Agent-General of a special and peculiar type, assisting to some extent in the government of the country to which he is accredited. He occupies a very delicate post, but the time has come when the Japanese Government should speak frankly and firmly, and define more clearly his present ambiguous position, which is already the source of some trouble.

Until now Seoul and Korea generally have been held tight in leading-strings by Tokyo, and no liberty of action whatsoever has been allowed the men on the spot. On every possible occasion they are compelled to return to Tokyo "for instructions," and have "to consult" about matters which any official gifted with very ordinary abilities should be able and authorised to decide himself. An absurd but significant little thing may be mentioned in this connection as an illustration that the broad-

mindfulness of English administrations has not yet been attained. On the Seoul-Fusan railway trains running South, *i.e.* from the capital of the country to the end of the Korean peninsula, are termed up-trains because they go towards Tokyo ; whilst trains running up to Seoul are called down-trains because they run in connection with Japanese trains starting from Tokyo ! It is difficult to understand why such an absurd nomenclature should have been sanctioned in independent Korea.

All this, however, springs from the fact that Tokyo cannot disabuse itself of the idea that it is unwise and unsafe to leave Korea alone for any length of time ; and that indeed everything must be personally overseen. To such a view I take the strongest exception, and I venture to think that if Lord Cromer and his officials had been crippled in this way they would never have made Egypt what it is to-day. Unless Korea is governed from Seoul, as it must be unless Korean independence and sovereignty are mere diplomatic expressions, the strong undercurrents of discontent still observable in all classes of the population will tend to grow and not to diminish ; and it is not impossible, if the idea that Korea is simply being " exploited " is allowed to gain ground, that riots may take place which will do Japan much harm abroad.

As I have already shown, there are now five high non-Korean officials who may be counted on to work in the interests of the country, but who are now not combined as they should be and consequently can do

but little good. It is high time these officials were grouped together as an Administrative Council under the presidency of the Japanese Agent-General (now the Minister Plenipotentiary), and that five Korean Ministers, the chiefs of such Departments as the Foreign Office, the Home Office, the Finance Department, the War Office, and the Imperial Household Department, were added to this number. This Administrative Council would thus number three Japanese high officials—the Agent-General, the Commandant of the Occupation Corps, and the Financial Adviser ; one American, as the Diplomatic Adviser, and five Korean officials. Such a Council possessing supreme control would be able to frame a yearly budget and provide fixed amounts for each department, placing everything on the equitable basis that now does not exist.

At present General Hasagawa is merely labouring to induce the invertebrate Korean Court and Government to reduce the Korean army (which numbers about twelve thousand bayonets and swords and nothing else) ; the Financial Adviser is striving to grasp hold of something tangible and possess himself of some liquid asset with ill-success ; the Japanese Minister is acrimoniously disputing on the Audience question and his right to see the Emperor whenever such a course is necessary ; the Chief Commissioner cannot find time to pay attention to the important question of the re-organisation of the Customs and its complete separation from the Chinese Customs Service, because counter-attacking intrigue-move-

ments is more necessary for his welfare than anything else ; the Diplomatic Adviser has discovered that certain Continental Powers will not take away their Legations from Seoul without exacting some compensation and a pound of flesh elsewhere—all of which is a wonderful state of affairs, but not a good one. And whilst this is going on, Korean Ministers are running round the Palace enclosures like chickens with their heads cut off, knowing not where to turn to gain a dishonest penny, knowing not what the inquisitive Japanese will next ask.

Until, therefore, something akin to the establishment of this Administrative Council is ordered there will be the same recurring troubles. And the decreeing of such a body would allow Japanese advisers for education, &c., to take their places too ; thus making it possible to begin something solid and lasting in the matter of teaching the populace that the Japanese are not man-eaters.

Meanwhile, apart from these diplomatico-financial difficulties, the country gives every evidence of going ahead. There are now no less than 46,500 Japanese in Korea distributed as follows : Chemulpo, 10,000 ; Seoul, 8,000 ; Kunsan, 2,000 ; Mokpo, 1,500 ; Wonsan, 2,000 ; Chinnampo, 2,500 ; Pingyang, 1,000 ; Masampo, 500 ; Fusan, 12,000 ; Taiko and other railway settlements, 2,000 ; floating population, 5,000. From observations it would appear that the net gain per month in this population is about two thousand for the whole peninsula, and that therefore by the year 1907 or 1908 there

should be a resident Japanese population of 100,000 souls.

In this connection it is important to note that the prevailing idea in Europe that the Japanese immigrants become permanent settlers and acquire land for agricultural purposes is entirely erroneous. The Japanese have all the Frenchman's aversion to settling permanently abroad, and the so-called Japanese colonist goes to Korea for as few years as possible. Once there, he settles only in towns and is not a colonist properly speaking; and indeed in the presence of the Korean and Chinaman of the lower classes, he feels nearly all the white man's aversion to perform unskilled manual labour. Such agricultural land as has been bought—you will see Japanese boundary stones in many parts of the country—has been acquired because it is cheap, and, leased to Korean farmers, brings in an exorbitant rate of interest which may be anything from 15 to 30 per cent. In no case have I heard that Japanese have been seen tilling the land. This is an important conclusion.

But it is undoubtedly necessary for Japan to increase the production of Korean foodstuffs, and therefore the Japanese Government might try the experiment of establishing model colonies on some of the unoccupied land in Central and Northern Korea. Seeing, however, the ill-success which such colonies had in Hokaido (Yezo), the authorities have been, and probably still are, loth to order such dubious experiments. Why Nagamori

was ever supported is therefore an impenetrable mystery. It is noteworthy, too, that practically nothing has been done in the matter of searching for minerals; and as coal for the railways has to be exported from Japan, it is high time this was seen to.

There are at present two railways, both of which should be quite completed by the time these pages see print—the Seoul-Fusan line and the Seoul-Wiju line, and their total mileage will probably in the end amount to some 750 miles. These modern accessories will develop the country very rapidly, do much to change the whole aspect of the Korean question, and will be counted a promising investment.¹

¹ Since Korean railways may come forward as borrowers, a few words as to their prospects may be given.

The Seoul-Fusan line belongs to a Tokyo limited liability company which purchased on the 30th September, 1903, the Seoul-Chemulpo branch line for the sum of 2,579,100 yen. The mileage now operated by this company amounts to 294 miles. The total estimated initial expenditure for construction, equipment, &c., of the whole line is placed at some 29,000,000 yen, or nearly £2,900,000 sterling. The capital of the company is 25,000,000 yen, but in order that the work should be rapidly completed, the Government issued a special subsidy amounting to two and a half million yen on condition that the rail connection between Seoul and Fusan should take place not later than the 31st December, 1904. This condition having been met, the money has been paid. The extra two or three million yen necessary to complete the work will be probably met by a debenture issue. But not only has the Japanese Government paid a bonus to promote speedy construction, but it has taken upon itself to guarantee six per cent. interest on the Company's subscribed capital for a period of fifteen years, thus safeguarding the shareholders against any possible loss.

As an index to the earning capacity of this line, it may be stated that the gross receipts in January, 1905, were 104,665 yen, but of this

Finally, fishing rights along the entire coast of Korea will soon be possessed by Japanese fishermen, and the number of people who may be counted on to engage in this profitable occupation will not fall far short of 100,000. It is likely, therefore, by the end of the war that 200,000 Japanese will be directly concerned in Korea's prosperity. If, then, the policy of Korea-for-the-people-in-Korea, which has been hinted at above, is followed, there is no reason why the country should not become as prosperous and as happy as any in the East. But if the present pettifogging policy is followed there will be trouble.

Note.—Since the above was written, a number of steps have been taken which improve the situation somewhat, but which do not yet show that Tokyo has dis-

sum nearly half was contributed by the Seoul-Chemulpo section (length only 26 miles). The Seoul-Fusan main line is, therefore, only earning a very small percentage of what it will when the line is properly completed and trade fully developed. By 1907 the gross receipts should amount to 3,000,000 yen per annum and provide sufficient funds to pay the interest guaranteed.

The Seoul-Wiju line, which is some 300 miles in length, has been built by the Japanese military authorities, and no statement regarding its cost has been made public or is to be obtained. But it is reasonable to suppose that its cost will approximate 25,000,000 yen, as the line has been by no means an easy one to build. An extension of this Northern Korean railway, either from Pingyang to Wonsan, or from Seoul to Wonsan, will probably shortly take place, for the east coast of Korea must be placed in rail communication with the capital; and therefore in the end the total mileage of these railways will amount to some 750 miles, and the capital expended £7,500,000. It is not improbable that then the various lines will be turned into one concern under some such name as the "United Korean Railways" and placed on the market with a certain interest guaranteed by the Japanese Government.

abused itself of the idea that Korea should be governed from Japan. The Korean army is to be entirely disbanded and only a Palace Guard of 1,500 men left; the Korean Government, under the advice of Mr. Megata, has contracted a loan of £3,000,000 at 6 per cent., secured on the Korean Treasury with the receipts of the Korean Customs as a collateral security. These three millions are to be used in reforming the currency and calling in all the nickels which are not counterfeit coins. A preliminary examination has disclosed the interesting fact that most of the money in Korea is counterfeit! The Japanese Ministry of Communications has now taken over the Korean Post Office under a special agreement—a measure I consider quite unnecessary, as the leading idea should be the reform and not the absorption of Korea.

Finally, only the transfer of Mr. Allen, the United States Minister at Seoul, has prevented the Emperor from climbing over the American Legation wall, as it has lately come to the Imperial ears that the Japanese were going to invite him very pressingly to go over to Japan. Every day that passes makes it more and more clear that something in the nature of the Administrative Council suggested must be adopted at all costs, and that Korea must be governed from Seoul and not from Tokyo, if Korea is to be really reformed and not merely exploited.

CHAPTER XXV

HOW KOREA SAW THE FIRST ACTS OF WAR

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AFTER Admiral Alexeieff had received on the 13th August, 1903, the high-sounding title of Viceroy of the Far East, his chief and only consideration became the consolidating his Imperial Lieutenancy out of the miscellaneous mass of Siberian dependencies, Chinese-leased ports and territory, coveted Manchurian provinces, strategical frontier lines, and Korean neutral strips which went to make up the Far East of the Czar's ukase. The August Decree of the Czar had definitely solved what had been in the Admiral's eyes the most vexatious part of the problem—the question of the amount of support which he could expect from his own Government; for the Autocrat of all the Russias, by making the Viceroy responsible only to a special committee of high persons nominated by himself and presided over by his own person, proved conclusively that there was no question of a Russian retreat from the New Far East but only of a Russian advance. It is true that the Japanese

had begun their negotiations about the evacuation of Manchuria and desired a definite understanding regarding the exact status of Korea; but the little Japanese, the just Heavens well knew, would be crushed flat, bang, just like that, if they were not very careful. So, as I have already said, the important question was really the consolidating of existing interests and adding new ones, and if, after all this, the negotiations had to be attended to, a few answering telegrams would always do for those little Japanese. Everyone in Manchuria at the time of the crisis understood this, and no one in Europe has sufficiently realised that this position testified to Russia's view that England had more or less retreated from the Far East since the Anglo-Japanese Alliance; and that, therefore, if Japan was snubbed, the Russian Viceroy might one day actually become Viceroy of an enormous slice of the extreme Orient, because the continent of Europe, ever since the intervention of 1895, acknowledged the Russian leadership, and had already planned the dismemberment of China, on paper. This is a point which is well worth keeping in view, although it is quite by the way.

Of course after the Admiral's elevation to his new rank every other Russian in the Far East became subordinate to him. This is also another point well worth remembering, for never before has any Proconsul in modern times controlled Ministers Plenipotentiary residing at foreign

capitals and made them mere pawns in the great human game.

Some Russians liked the new state of affairs and some did not—notably the military were very wrath; but likes or dislikes were not of much consequence to a man only responsible to an omnipotent Czar for his acts, and therefore allegiance had to be paid him. After General Kuropatkin had come and gone, and had been forced to show himself at least outwardly on friendly terms with the Naval Viceroy during that curious visit to the Far East before the outbreak of hostilities, even the military in Manchuria and the Amur Provinces only whispered their grumbles, whilst the diplomats, always of the Forward Party in the decaying Orient, chuckled with glee at the immediate prospect of their wildest dreams being realised, if only the Viceroy remained firm with the little Japanese—as they told him it was very necessary that he should.

There were three of these high diplomats subordinate to the Viceroy, in deed if not in name, the Ministers at the Courts of Peking, of Seoul, and of Tokyo; and with the telegraph strings from these three countries drawn through his powerful fingers, the all-mighty Viceroy, sitting in his commanding Port Arthur residence, from which he viewed the waters of the Yellow seas, controlled the destinies of the East. This was the situation from the Russian point of view.

Of these three Ministers there was but one who

could act much as he pleased in suggesting things and then attempting to carry them out. The Minister at Peking had the traditional Russian policy to attend to, a policy which is a very complicated and curious thing and cannot be casually dealt with. The Minister at Tokyo was a real admirer and lover of Japan, and being accredited to a country that was efficient in every sense of the word, could obviously not play the part of a bully. Alone the Minister at Seoul, the pantomime capital which had been so long the sport of nations that intrigues had become to it as the breath of life, could properly interpret empire-building wishes. So Viceroy Alexeieff rather carelessly slackened his hold on the Peking-Tokyo strings and pulled the Seoul line short up.

Monsieur Pavlow, the Seoul Plenipotentiary, had another bond, too, with the portly, short-breathing, Far Eastern Viceroy. He also was a naval man whom the more seductive fields of diplomacy had enticed away from the sea. Only a decade or so before he had arrived in Peking in the train of Count Cassini (the hero of ominous secret treaty-making) as a penniless young ex-naval lieutenant, happy to act the part of private secretary at very few roubles a month. The penniless young man was, however, very clever, and rapidly passed through the successive stages of third, second, and first secretary of Legation, until one day, saturated with Oriental diplomacy, which is very Muscovite in its ways, he had with his own hands appended the signature to the Port Arthur leasing agreement.

From Peking to Seoul is not a far cry in the extreme East, and five years of the Korean capital had seen the ex-naval officer become a full-fledged Minister Plenipotentiary and Envoy Extraordinary, with an ambition only whetted by his past successes, and a pride which was born of a sufficiently remarkable career, even for the subject of a country where the remarkable is the commonplace and the commonplace the remarkable.

Admiral Alexeieff, before the brilliance of his rank had increased his portliness and decreased his mobility, had often been to Seoul and Korea, and knew exactly what was wanted there from the Russian point of view. The Czar himself, when he had toured the Far East at the beginning of the 'nineties as an enthusiastic if somewhat youthful Czarewitch, had also passed down the coasts of Korea and understood something of their geography. Thus everyone on the Russian side, contrary to popular opinion, understood the Manchurian-Korean question very thoroughly at the time of the crisis; and everyone, likewise contrary to popular opinion, also understood that the Japanese had to be snubbed flat because they were little and pretentious, and had theories about the Korean Straits—theories which they would soon wish to extend, not only to the Hermit Kingdom, but also to Manchuria, which was the very height of impudence. Of course there was mainly bluff in the Russian attitude, but there was also a good deal of other things.

But when the moderates of the Russian bureaucracy were still in power in 1902, the Manchurian evacuation agreement had been signed in Peking in deference to the clamour raised by the Anglo-Saxon world at the Russian advance. So, as Manchuria was still a Chinese province—on paper—another difficult element was added to the general situation. Solid only by reason of the support he was receiving from St. Petersburg, Admiral Alexeieff was surrounded by all kinds of situations, internal and external, which varied from simple ones to compound complex ones of the most astonishing character, all having to be considered and remembered finally as one grand political situation, after a resorting, revaluation, and relabelling which must never cease—a state of affairs which would have driven an actuary soon crazy, and was quite an impossible one for a naval officer to handle without disaster. And quite apart from all this there were the Japanese negotiations, which, unostentatious but persistent, were like the constant drop of water in their disintegrating effect.

It was whilst things were in this tangled condition, and whilst the few who are keen-nosed were wondering all over the world whether war would really result, and, if so, what kind of war, and whether Russians or Japanese were the things to sell on the stock exchanges, that a distinct Korean attitude began to be adopted by the Russian Minister at Seoul; or perhaps it would be more correct to say that the Russian Minister began to

force the adoption of a so-called Russo-Korean attitude, which he considered the irreducible minimum of Russian demands from his diplomatic point of view. There is a great deal in a point of view. All the plotting and scheming for years for a coal-
ing port in Southern Korea had ended in absolute failure—so much the Russians were willing to confess frankly—and Southern Korea would have to be wrestled for one day when the necessary consolidation had taken place over the vast Asiatic hinterland where Russia was intent on entrenching herself. In the same way, all the plotting and planning in Seoul had only resulted in creating a stalemate ; for everything had been so honeycombed with intrigue and counter-intrigue, and split up into so many component parts by bribery and corruption, chopping and changing, complete volte-faces, partial volte-faces, and revolving volte-faces that winked at you as they spun round and round, that the political situation almost squelched under foot as you trod the Seoul streets. Something more had to be done, something tangible in the way of a definite programme had to emerge from out of this tangle, for even the Russian, accustomed to startling balancing tricks, could find no firm foothold and was beginning to be tired of it all. That something was nothing more nor less than, first, a firm foothold on the Korean side of the Yalu River, which would bring the distressed capital within two hundred and fifty miles of secured Russian bases ; and, secondly, a recognised foothold in Seoul itself, secured by the

presence of a complete Russian regiment from Port Arthur. I have it on the very best authority that the project of providing a Russian garrison for Seoul in order "to protect" the Emperor was not only debated but actually settled on several weeks before the war.

The diplomatic battle began in the spring of 1903 with some outpost work which failed to attract attention over the lease of Yongampho at the mouth of the Yalu, all of which has already been referred to at such great length that further mention is unnecessary. By October of 1903, Russian troops had begun to slip across the Yalu in respectable numbers, and to establish themselves along the banks of the waterway in pursuance of the Alexeïeff-Pavlov policy. By December their arrangements were so complete that Russian confidence rose, and the entire programme was definitely settled. There was to be a neutral zone along the Korean side of the Yalu, which no one could fortify or occupy, but in which lumber companies, whose charters were of old date, might do much as they pleased. Some time in 1904 there would be an *émeute* in Seoul which would be magnified into a *coup d'état*; the Emperor would call for help, and a regiment of Eastern Siberian Rifles would suddenly appear from Port Arthur in the Chemulpo anchorage and land and entrain for Seoul. The Russian fleet, outnumbering the Japanese fleet in vessels of the line, would make an overpowering demonstration off the Korean coast. The English Press might perhaps

shout blood and thunder for a while ; Ministries would tremble and quake ; but, as had been the case with Manchuria, it would all blow over, because the continent of Europe is solid behind Russia in the Far East, and because, if neither England nor America would fight, Japan would certainly not dare to do so. In such vague fashion were plans first laid ; but it was no astonishment for those who knew the Russians that, in the hurry and skurry everything went wrong, and the biter was bit.

Meanwhile the Japanese negotiations, instead of continuing so peacefully and so slowly that they made no progress at all, as Admiral Alexeieff and his *entourage*, esteeming they knew something of the ways of the East, thought would be the case, became more and more insistent and peremptory in their tone ; until by January, 1904, there were times when they completely monopolised the attention of Admiral Alexeieff, and forced him to pay only a secondary attention to the most important work of "consolidating." By the beginning of January Port Arthur regiments were breaking camp regularly and marching off to the Yalu, as a matter of course, because there was nothing else for it. From Seoul came the persistent tick of the telegraph : "Insist, insist, and stand firm over Korea." And thus Japan's last despairing offer to consider Manchuria within the Russian sphere of influence, if Russia, on her part, would acknowledge that Korea was beyond her control, was absolutely rejected. Russia, indeed, had already made up her mind not to sacrifice, once

and for all, her hold over the timorous Korean Court, and was also just as determined to hold both banks of the Yalu in order that plans long settled on might be prosecuted. So Russia refused point blank, and was beginning to formulate counter-proposals in the usual leisurely fashion characteristic of the Slav, when suddenly, to her immense surprise and consternation, the Japanese Minister at St. Petersburg informed her that negotiations were at an end. On the sixth of February the Japanese fleet left Sasebo, and by nine o'clock of the next morning the first act of war had been committed.

It will perhaps be understood how isolated is Korea from the rest of the Far East, in spite of the nominal opening-up of the country. Although there is steamer communication between Shanghai and Chemulpo and between Chemulpo and Chefoo, such steamers are few and far between, and are celebrated locally for their irregular running. Shanghai and the rest of China, in fact, may be generally called about two weeks from Korea, calculating the average time it takes for letters and newspapers to reach their destination from the coasts of China. The Russian steamers of the Volunteer and Chinese Eastern Railway Company's fleets, it is true, had opened up regular services many months before the war; but these steamer services aimed rather at uniting the Russian Far East (i.e. Port Arthur, Dalny, and Vladivostok) with the long Korean seaboard than at establishing regular communication between the great commercial ports of the extreme

Orient. Because Russian coal is rather an unknown quantity, Nagasaki had to be taken generally *en route*, and at this Japanese port Russian interests were important. It may be, therefore, said that communication between Korea and the rest of the Far East rested with Japan; and that this communication was almost entirely in the hands of the only two large Japanese steamship companies, the Nippon Yusen Kaisha and the Osaka Shosen Kaisha.* By January almost every important vessel of the fleets of these companies had been requisitioned by the Government for possible transport work; by the beginning of February Japanese communication with Korea had practically ceased to exist. If the Russian lines could be interrupted, Korea would be effectively isolated and anything might be done.

At half-past eleven on the 6th February, the first news that something had happened reached Seoul. It was nothing but a bald telegram from the Englishman in charge of the Masampo Customs, addressed to the Chief Commissioner of Customs, and read: "Heavy firing heard to seaward. Will keep you informed." Its contents did not shake the Chief Commissioner, for everybody had lived on war, or the immediate prospect of war, for many years in Korea. So he took up a telegraph form and replied in code, curtly, "Telegraph hourly." At two o'clock the Englishman in charge at Masampo attempted his second message. It was refused, the operators pointing to their useless

instruments. Japanese cavalry and gendarmes, springing from nowhere, had seized the telegraph office and cut the wires of all excepting the old Japanese military line of the 1895 war. The heel of the Korean boot was completely isolated twenty hours after Mr. Kurino, the Japanese Minister in St. Petersburg, had expressed the regrets of diplomacy that there was no further need for his presence at the Russian capital. The Japanese were working quickly.

Meanwhile at Fusan, but twenty miles from Masampo, excitement was at fever heat, and had paralysed everyone on the fatal sixth. The *Moukden*, a regular trader belonging to the Russian Chinese Eastern Railway Company on the run between Shanghai and Vladivostok *via* Nagasaki and Fusan, had entered the harbour early in the morning. The firing at sea had been faintly heard at Fusan, and the Russian captain was on shore conferring frantically with the Russian Consul and asking what it meant. A small Japanese coaster, one of those baby vessels carrying a cargo of miscellaneous merchandise, steamed in an hour or two later and brought the news that she had met a Russian vessel flying the Japanese flag, which seemed quite inexplicable. At half-past two, Japanese sailors were seen by the look-out at the Korean Custom House rowing over from a destroyer, which had crept into the harbour; and to the general astonishment they hurriedly boarded the *Moukden*, and presently the signal flags fluttered

out in the international code the curt message, "Captain requested to come on board."

It was not until three that the Russian captain appeared at the Custom House and begged for his papers. The position of his ship was pointed out to him, and soon he was being *yulohed* hastily in a sampan out into the harbour. But it was too late! The *Moukden* was already steaming away with fresh signals streaming out behind, stating that she was a prize of war. The captain stormed back to shore and rushed to the telegraph offices. Again it was too late, for the lines which had been free an hour before were now closed to the public. Japanese soldiery, whose presence had been unexpected, now crowded the offices and sternly waved away all comers. Bitterly the captain explained all he knew to the few Europeans in the place. He had left Nagasaki on the evening of the fifth, and had been followed all the way by a Japanese torpedo-vessel. His ship must have been seized by the crew of this vessel as soon as the destroyer-captain had had time to confer with the Japanese Consul on shore. The neutrality of Korean waters had been broken; the Japanese had violated the first principles of international law—so argued the Russians; forgetting entirely that the Japanese had been taught to disregard Korea by the actions of the great Northern Power, and that, had it not been for the fact that for ten long years every agreement had been set at naught by the Czar's Ministers, this day of reckoning would never have come.

Presently definite news reached Fusan about the occurrences of the early morning. The first steamer seized had been the *Ekatorinslav*, of the Russian Volunteer Fleet, at 9 A.M. The firing at sea had only been the testing of some old guns on board one of the antiquated Japanese cruisers charged with the patrolling and closing of the Korean Straits, and had not been the first blows of the stupendous naval battle which everyone had been expecting.

The feelings of the Russian steamer-agents, the Russian Consul, and the Russian captain, virtually imprisoned by *force majeure* at Fusan, may be better imagined than described. By three o'clock on the 6th February these wretched men knew what no other Russians in the Far East had understood when Japan gave notice that peaceful negotiations were at an end—that war would come swiftly and grimly, and that everywhere the confident Russians would be surprised as thoroughly as they themselves had been. Port Arthur could not be reached in less than two days by the entire Japanese fleet, and therefore for these two whole days they would suffer the agony of knowing that the priceless information in their possession could not be communicated. During exactly sixty-eight hours they suffered in this powerless fashion, and on the ninth of the month the cables from Japan brought the news, which had become inevitable, that the Port Arthur fleet had been crippled in a night attack, and that there was a panic all over the world.

Rapidly and cruelly indeed was the Russian Far East crumbling.

Meanwhile, the situation elsewhere in Korea developed with tremendous rapidity. By the evening of the sixth it was vaguely known all over Seoul that something had happened in Southern Korea. What it was people could only whisper and imagine, but everything was soon at a standstill and crowds began to collect in anticipation of a *coup d'état*. At Chemulpo the situation was especially interesting. In the harbour were lying the fast Russian cruiser the *Varyag* and the gunboat *Corietz*, together with the transport vessel the *Sungari*: and near by them was the small Japanese cruiser the *Chiyoda*. By the evening of the sixth the Japanese cruiser captain knew what had happened at Fusan and off Masampo, but he did not know whether the Russian commanders knew. All the night of the sixth saw the Japanese sailors anxious and ill at ease; if the Russians knew, they might open fire at any moment and blow the useless little iron cruiser out of the water. On the seventh the Japanese captain could stand it no longer. He began telegraphing repeatedly to Seoul, "Do they know? can they know?" and back came the reassuring telegram, "They cannot possibly know; all telegrams have been intercepted."

The seventh went by slowly, each hour dragging more and more, with the big guns of the *Varyag* staring earnestly at the *Chiyoda*, the first only separated by a few cables' length from the second.

competent authorities, and it has been almost universally held that the commanders of the *Talbot*, the *Pascal*, and the *Elba* acted *ultra vires*. But in these discussions the peculiar position of Korea has not been given its full value. The fact that the Korean Government had always been forced to give its permission to foreign warships to land Legation guards, so as to ensure the protection of foreign lives and property in Seoul during troublous times, and that during January marines had been coming up to the various Legations from the men-of-war lying in Chemulpo harbour, made it appear to the naval commanders that it was their duty to prevent an engagement taking place within the three mile limit, since no Korean force could play the part of policeman. Admiral Uriu gave an unwilling consent to the postponement of hostilities until the next day, the ninth, when time limit would be set.

Meanwhile, during the night of the eighth the Japanese transports steamed in and landed fifteen hundred soldiers in Chemulpo, the Russian ships, although the disembarkation was carried on by torchlight, desisting from all interference. It is true that a *modus vivendi* had been arranged between the Japanese and the Russians for the night of the eighth: Admiral Uriu undertaking, it would appear, not to attack the Russian ships if they, on their part, abstained from interfering with the landing of troops. But I am fain to confess that this was a one-sided arrangement, for torpedo-craft could hardly have

attacked the *Varyag* and the *Corietz* as they lay at anchor with merchant shipping around them; and had the two ships simply refused to treat with the Japanese, the transports would not have dared to come into the inner harbour. And if this had been the case, a return to Asan anchorage would have been necessary, from whence the Japanese would have had to march overland to a railway station, thus delaying probably for several days the occupation of Seoul. I am therefore of opinion that the *Varyag* commander played his cards in the desperate game confronting him but poorly, and that had he acted more determinedly he could have embarrassed the Japanese more than they would have cared to admit.

At seven o'clock on the morning of the ninth the final *dénouement* came. Admiral Uriu presented his ultimatum, in which he stated that the Russian ships must leave Chemulpo before noon or else they would be attacked in the harbour. The Japanese squadron, taking up a position ten miles beyond the anchorage, awaited the Russian action. The captain of the *Varyag*, a brave but foolish fellow, went on board the *Talbot*, the *Pascal*, and the *Elba*, and bade an affecting good-bye to his fellow commanders, and then, boarding his own ship, steamed out of the harbour, gallantly enough followed by the little *Corietz*.

The result was inevitable. The fight took place near Round Island, the *Varyag* opening fire first. On the Japanese side there were the cruisers

Naniwa, 3,700 tons, *Niitaka*, 3,400 tons, *Chiyoda*, 3,700 tons, *Takachiko*, 3,700 tons, *Akashi*, 2,800 tons, *Asama*, 9,800 tons, and eight torpedo boats, a force so superior to the Russians that it would have been far better had they not given battle.

After half-an-hour's sharp conflict, in which the *Corietz* took but little part, the two Russian ships put back to Chemulpo, the *Varyag* having a heavy list to port, whilst the *Corietz* was practically undamaged. The number of Russian killed in the fight was forty-one, and the wounded sixty-eight, of whom a number died subsequently. The steering-gear of the *Varyag* was badly damaged, and the decks were shambles. The Japanese, possibly fearing some trap, did not pursue. At four o'clock the *Corietz* was blown up, and later the *Varyag* was set on fire and her Kingston valves opened, sinking at about six o'clock.

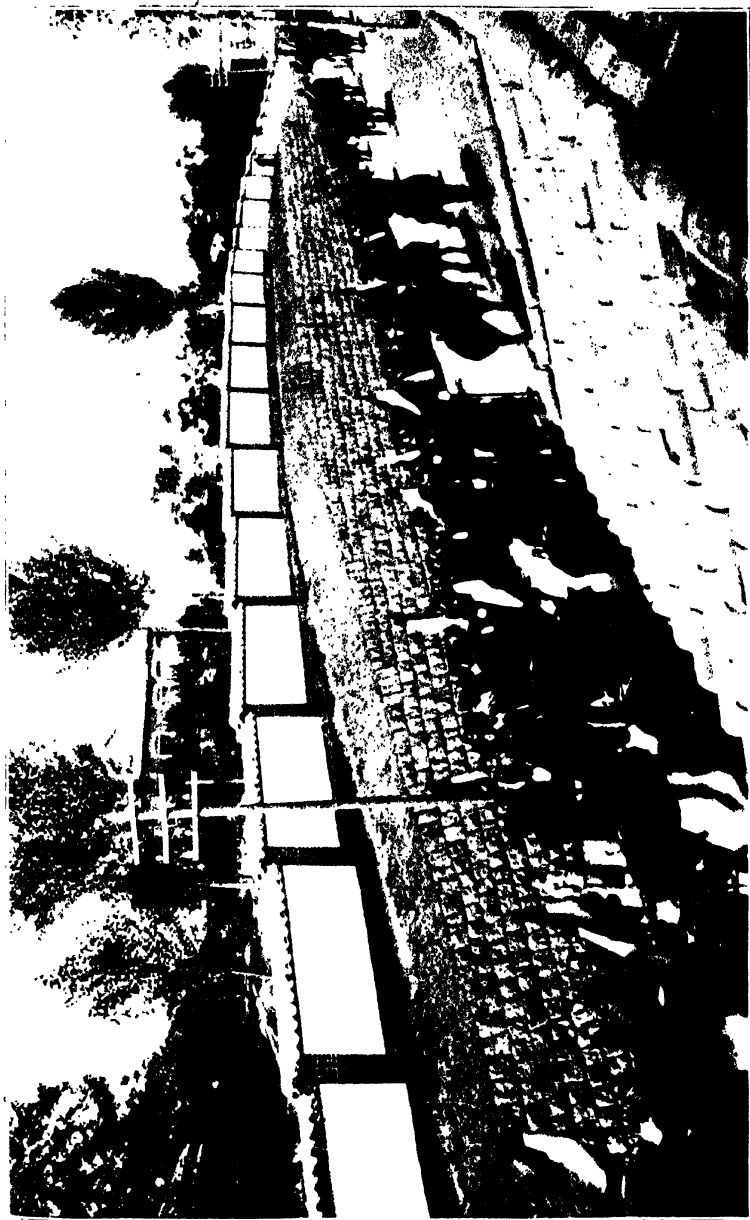
Much discussion was immediately aroused in Chemulpo and Seoul whether the Russian captain had acted merely vaingloriously and rather foolishly or really heroically. It is hard to say, without a knowledge of special circumstances which it will be impossible to obtain until after the war. There seems to be no doubt, however, about one thing, that he should have either not have left the harbour, or, supposing that he considered such a course necessary, that he should have taken the crew of the *Corietz* on his own vessel and attempted to run the gauntlet deliberately. His superior speed, the *Varyag* being one of the fastest vessels in the

world and able to make twenty-three knots, should have given him a fair chance of escaping even through the powerful cordon Admiral Uriu placed beyond Roze Island. In any case he should have attempted to ram and carry down the best Japanese ship with his own, a course of action which would have earned great admiration for Russia and have done much towards affording her the moral support which has been so consistently denied her. That there was great sympathy felt locally for the Russians is shown by the fact that the British cruiser the *Talbot* took on board by far the greatest part of the Russian crews. The exact distribution of the shipless crews was as follows : on the *Talbot* 325, on the French *Pascal* 228, on the Italian *Elba* 178. It seems strangely inconsistent that the crews were carried away by neutral ships and that the Japanese after an inglorious action consented to such a course, although they had shown that the Korean neutrality declaration, duly proclaimed on the 30th January, counted for nothing. The whole question of this Japanese action at Chemulpo merits special inquiry and investigation, and it is quite certain that after the war the Japanese Government will make public valuable statements on the subject, proving possibly that there existed special circumstances which more than justified the course of action adopted. For the time being we must be content to note that no more has been heard of Admiral Uriu.

On the Russian side, nothing can be said for the

perverse policy which allowed a splendid cruiser like the *Varyag* to be so foolishly sacrificed. It is a strange commentary on Russian ways that the *Varyag* had no gun-shields, no wireless telegraphy, no telescopic sights, and was not even properly cleared for action when she steamed out on the ninth. Attempting to manœuvre at high speed, her steering gear immediately went wrong, whilst the ship's engineers subsequently stated that it would have been useless making a dash for it, as the engines could not develop much more than three-quarters of the horse-power with which they were officially credited.

After the Chemulpo affair, events marched rapidly enough. By the morning of the tenth, all Koreans of importance knew what had happened, and by that time all hope of the Russians being able to march into Seoul had vanished. As for the Russian leaders in the Korean capital, they felt a despair they had never felt before. Monsieur Pavlow was plainly distraught; Baron Gunsberg, the genial chief of the famous lumber company, wept openly as he trailed the Seoul streets. "Our poor fleet," he uttered bitterly; and under his breath he added "My poor coal," which cryptic utterance is explained by the fact that he had accumulated a fine stock of the best steam coal on Roze Island as a private speculation which would redound to his advantage when the Russian fleet came, but from which the entire Japanese fleet at Chemulpo was now helping itself with amused grimaces.



Meanwhile¹ Japanese infantry, cavalry, and artillery were pouring into Seoul, and were being received with acclamation by the Japanese population of the capital, although the Koreans maintained a sullen and ungracious attitude. The city-gates were seized ; the Russian Minister and his suite and following were escorted down to Chemulpo ; the Korean reactionaries and members of the pro-Russian party discreetly disappeared and were known no more ; and in this manner, six days after the seizure of the trading steamer *Ekaterinslav* in the Tsushima straits, the dreams of Muscovite statesmen about Korea had vanished into thin air.

By the 1st March the Japanese landing operations at Chemulpo had ceased, 27,000 men and 8,000 horses having been set on shore, together with vast quantities of stores, from a fleet of seventy-four transports. Mischenko's Cossacks trotting down from the Yalu brushed with Kuroki's advance on the Pingyang road. The war was in reality, however, very young, and nothing ever happened in Korea which is worth more than bare mention.

CHAPTER XXVI

THE GREAT WAR. (A) TO THE FALL OF PORT ARTHUR

Now that blood has flowed in great streams, sickening the quiet world of Europe, and that all past sins have been atoned for by the slaughter of the innocents on the hills and the plains of Manchuria, it is time to examine the course of the war in a calm and critical spirit; to weigh and to value everything as accurately as possible; to set things in their proper place; and, finally, to estimate the future course of the conflict, thus arriving at definite if premature conclusions which may help to dispel delusions fondly cherished by those who do not fully comprehend what the word war means. But it is best to plunge rapidly into the middle of things.

A perusal of what has been written about the intolerable position obtaining in Korea immediately before the war; the sublime insolence of the Russian attitude when neither *bonâ fide* interests nor the preparations in Manchuria and on the Eastern seas justified in the slightest the pretensions of the Czar's Government; the unblushing bluff

maintained in the face of Japan's growing exasperation; these, I say, proved conclusively that the moment for sharp action had arrived, and that the country which struck the first blow would have the first advantage. But there is another point to be noted. Curious as such a statement may seem, there is little doubt that the Russian protestations which were raised before and after the outbreak of war that they did not want to fight, and that it was Japan who forced them to do so, are quite sincere. But to understand how the Russians could make such statements it is necessary to see things as they saw them; in other words, to realise properly the really extraordinary Russian point of view. Even at the risk of digressing and returning to a subject which has been already discussed, the character of this point of view must be clearly established, since it will undoubtedly have an important influence on the duration of the war, and its explanation will further disillusion those who fondly imagine that Russia is only awaiting a favourable opportunity to sheathe her sword and extend the hand of friendship to Japan. That Russia may collapse is possible, but she will always hate Japan.

Although the Russian movement to the Pacific Coasts of Eastern Asia, so successfully developed by Muravief Amurski half a century ago, has been irregular, halting, and frequently marked by inconsistencies, it has been mainly a movement as difficult to arrest as any in the world's history. In the seventeenth century, after a vain struggle with the

Manchus to gain access to the Amur, Russia was indeed forced to content herself with a frontier-line roughly drawn from Nerchinsk to Okhotsk—that is, from a hundred odd miles east of Lake Baikal to a point on the frozen shores of the Sea of Okhotsk. For one hundred and fifty years she remained content with this imaginary frontier-line, but no sooner had a man appeared—the resolute Muravief—who could see and understand things, than the journey towards the south-eastern coasts began anew. Profiting by the embarrassment occasioned to the decadent Manchu rulers by the presence of the Anglo-French Allies in Peking in 1860, Muravief's arrangements (already entered into in 1858 on the Amur with the Chinese frontier officials) were not only ratified by the special Russian Ambassador who arrived most opportunely in Peking, but in addition that portion of Manchuria which faces the Sea of Japan was ceded unconditionally to Russia; and thus several hundred thousand square miles of territory were won without a blow being struck. In the 'seventies the Japanese claim to the southern portion of the Island of Sakhalien was disposed of, and the chief Russian Pacific port became Vladivostok in place of Nicolaevsk, which is eight hundred miles to the north. Once more nothing happened for a number of years, and it was not until 1900 that the Boxer outbreak allowed the post-Chino-Japanese-war arrangements—made on paper—to be realised partially. All that was adventurous in Eastern

Siberia was then emptied into Manchuria in the wake of the Czar's avenging troops. Mr. Hawes, in his admirable book *In the Uttermost East*, has told us clearly how greatly the movement into Manchuria affected the Russian towns on the Amur. Everybody who had any roubles had rushed off to golden Manchuria, where it was fondly believed vast fortunes were easily to be made; many had abandoned positions won years ago. The Russian Government had behaved in the same way as its people. At last it seemed to them there was a possibility of occupying territories that adjoined the warm seas, and of making definite plans for the absorption of such territories when the propitious moment arrived. By 1902 the Manchurian railways were completed, and although an Evacuation Protocol had been signed in Peking, it was thought that by skilful manœuvring its provisions might be ignored. The one great thing was to gain time, appease the public, and let things "solidify." Thus, on the 8th of October, 1902, the country west of the Liao river (which was really useless to Russia) and the Shanhaikwan-Newchwang railway were handed back to China, and it was hoped that these acts would satisfy the British Press and public, and cause them to cease their unending bickerings, as the interests of the British railway bondholders had been safeguarded by the rendition of the railway aforesaid.

Unfortunately, when the second evacuation period came, the 8th of April, 1903, it was found that it

would be impossible to hand back Newchwang and the whole of the Fengtien and Kirin provinces without making the Russian position so weak that an unconditional retreat from Manchuria would have to follow as a matter of course. Consequently the usual Russian policy was followed. Moukden, the most important provincial capital, being "masked" by Newchwang, Port Arthur, Dalny, and the railway garrisons, was evacuated nominally and nothing but Cossack guards were left for the protection of the various Russian officials having dealings with the Manchu Governor-General. But apart from this and a great deal of marching to and fro of troops, the terms of the Evacuation Agreement were cynically ignored. This double-dealing aroused everyone's suspicions, but principally those of the Japanese; for the outwardly strong position of Russia in Manchuria had already been ominously reflected in the uncompromising attitude adopted by the Czar's Plenipotentiary in Seoul.

It requires but a short study of the map to understand the reasons for this most thoroughly. As has been already written, the three most important harbours on the Manchurian seaboard were held fast in Russian hands. Two were leased to her, and the third—Newchwang—could be retained by adroit juggling. It remained therefore only to secure the Yalu estuary, by the lease or seizure of a district on the Korean side commanding the mouth of the waterway, to serve a double object. Both Antung and Tatung on the Manchurian side had been

opened to foreign trade by the American and Japanese Treaties with China of October, 1903. Although the Treaties remained inoperative for the time being, both the ports named were commercially opened, as Russia felt sure, merely to weaken the Russian position in Manchuria, and to infringe on Russian rights, acquired both by diplomacy and force of arms. Consequently, if Yongampho could be obtained by Russia, it would simply require the spending of a few million roubles to attract all the Yalu trade there and make both Antung and Tatung valueless from the foreign commercial standpoint. And, besides this, the Yongampho *hinterland* could be easily converted into an armed camp, making it impossible for any Japanese army to attempt the passage of the Yalu without the most extraordinary efforts. All the tremendous industry which had formerly been lavished on the obtaining of a coaling-station in Southern Korea was consequently diverted to the Yalu question, and day after day, week after week, and even month after month, the wiles of Russian diplomacy were exhausted in fruitless efforts to obtain the Yongampho lease.

The Russian attitude from their own point of view is therefore quite clear. They were dealing with territories and districts belonging to the two Eastern Powers, China and Korea, and how much or how little progress they made in their arrangements was their own business and that of nobody else. China and Korea alone had the right to reject or accept their demands, and other countries

could protect their interests as best they might by bringing to bear all the resources of their diplomacy at the Courts of China and Korea to defeat the machinations of their rivals; that is, they could act indirectly against Russia by counter-attacking through diplomatic channels, but they could do nothing else. This is nothing more or less than a true analysis of the Russian point of view.

For Japan, therefore, in the summer of 1903 to step boldly out of the ranks and say, "I constitute myself champion for these powerless and helpless countries, China and Korea, and it is with me that you must make your settlement," was from the Russian point of view a piece of insufferable insolence. Japan had been put in her right place but eight years before when she had been forced out of the Liaotung; and to see her act as if she were ready to repay her great rival in the same coin made Muscovite blood boil. All through the long-winded negotiations three things stood out clearly:—that Russia wished to gain time at all cost; that she continued to maintain her own point of view, namely, that China and Korea were the countries really concerned and nobody else; yet that, as a concession to Japan, she was willing to allow the Tokyo Government to do as it pleased in Southern Korea. As for there being any question of fighting, it was really absurd to talk of such things, because it takes two to make a fight, and when one of the two is standing outside the arena with his arms folded, it is impossible

for the other to vault the ropes and force an engagement.

Was it possible for Russia to maintain such a mental attitude up to the last days of the negotiations? Did not Japanese persistence and the perfection of the Island Empire's preparations finally make some impression on the Czar's high officers in the Far East? It is possible to deny that Russia was beginning to waken and realise the grim dangers of the situation, and it seems probable that could the Tokyo Cabinet have continued even nominal negotiations for another two or three weeks, seconded by a naval demonstration off the coasts of Korea, there might have been a Russian collapse. This opinion has been gained from one of the chief actors on the Russian side, and from a perusal of some of the papers on the disarmed Russian warships lying in Chinese waters. The Russian bluff reached its height with the departure of the Russian fleet from Port Arthur on the 3rd February, a departure which was just as sudden as the return forty-eight hours later, on the 5th.

Japanese patience, however, had reached its last limit, and it is highly doubtful whether even the populace would have been contented with anything but a trial of arms. All the immense sacrifices which had been made for years to provide a formidable modern armament—sacrifices which had been borne without a murmur, because it was understood that Japan must go through the fire to come out tempered steel—although they had strained every-

one, would have been in vain according to the ideas of the masses, which, having a rare instinct when a psychological moment arrives, knew that never could a better time be chosen than the present.

On the 5th of January, the news of the departure of the Russian fleet from Port Arthur having reached Tokyo on the 4th, a communication was handed to the Russian Government notifying them of the rupture of negotiations. On the 6th the Japanese fleet left Sasebo; on the same day the first seizures of Russian merchant vessels were made. At daylight on the 8th, the combined Japanese fleet, having swept up the Korean coast and found no trace of the Russians, was anchored in a strongly protected base in the Elliot Islands, eighty miles from Port Arthur, and by nightfall the dim shadows of lank torpedo-craft were stealing noiselessly and swiftly down on the unsuspecting Russian fleet.

The famous surprise attack is so well known that there are but few details to dwell on. Drawn up in battle-line under the powerful Golden Hill sea-forts, the Russian fleet was an easy prey to the onslaught of the Japanese, and, under such circumstances, it is difficult to understand how what must be regarded from a naval standpoint as a failure could have taken place. Out of the Russian battleships and protected cruisers lying anchored, only three were torpedoed, whilst some others were reported as damaged. Japanese apologists have not been slow to point out that, in spite of the general carelessness

of their attitude, the Russians were as fully prepared for the attack as they were ever likely to be, for within thirty minutes of the firing of the first torpedo, searchlights were being worked everywhere from both the shore forts and the ships, and a deafening big-gun and machine-gun fire was being poured on the devoted attacking force. This explanation, however, is not enough to account for the slight damage inflicted on the powerful Russian fleet so brilliantly surprised, and the real causes must be sought elsewhere.

As far as present investigations will permit, it would appear that two causes operated largely in favour of the Russians—first, an undue excitement on the part of the torpedo crews; and, second, an excessive timidity about throwing away torpedo craft and the lives of Japanese seamen. Regarding the first point, there has been ample proof that the Japanese torpedo crews were not as calm and collected as could have been wished. A certain number of torpedoes were actually fired with their safety-bolts unremoved, and were fished up subsequently by the Russians. The actual number so discovered is unascertainable, but a non-Russian engineer in the Port Arthur dockyard states that seven were brought ashore. Whether or not this figure has been purposely or carelessly exaggerated is not a matter of general importance; the fact remains that some undue haste and unnecessary excitement were undoubtedly exhibited at a time when the utmost phlegm was a *sine quâ non*.

The second fault is even more remarkable than the first. It is stated—and, as far as is ascertainable, is generally believed to be true—that the Japanese torpedo fleet escaped practically unscathed as soon as the Russian alarm showed itself in the raking fire poured from the quick-firers. Although this mosquito fleet returned in the night, it was powerless to continue the attack with the sea lit up brilliantly by the unremitting play of searchlights. This is a heavy charge to bring against the section commanders of the torpedo flotilla. It was absolutely necessary at all costs to secure for Japan the command of the sea at the very outset of the war. Anything which removed the Russian preponderance of ships of the line (although they were individually inferior to the Japanese vessels in displacement) should have been purchased at no matter what cost, and to have sacrificed the entire torpedo flotilla engaged in the prosecution of this plan would have been paying none too dearly for a priceless thing. Apologists here again state that the Japanese flotilla was somewhat weakened by the diversion of a portion of the vessels to Dalny, where it was supposed some of the Russian fleet would be found. This excuse is hardly a valid one. The unexcelled intelligence arrangements Japan possessed at both Port Arthur and Dalny should have been sufficient to have avoided such a mistake being made. Finally, it may be remarked that not until nearly a year later—*i.e.* in December—were the attacks of torpedo craft pushed home

regardless of everything, as they should have been in the first instance. In the last act of the tragedy of the Russian Pacific fleet, the final torpedoing of the battleship Sebastopol, Japanese commanders exhibited a dash and a vigour of attack which crowned their efforts with such success that the last Russian ship, although surrounded by torpedo-nets, was crippled beyond all hope of repair. It is in this manner that the first attack should have been carried out.

The moral effect on Port Arthur of the Japanese surprise attack of the night of the 8th February was, however, immense, and destined never to disappear completely. Russian Port Arthur, though six years old, not yet out of its swaddling clothes, was disporting itself on the fatal night of the 8th in truly infantile fashion. Too much blame has been bestowed on Admiral Starck and his wife for the fact that a large portion of the high officers of the Russian fleet were amusing themselves at the house of the Commander-in-Chief when they should have been at their posts. This is foolish, for it shows an utter lack of appreciation of the life for which Port Arthur has been long celebrated in the Far East. It is necessary to illustrate this phrase, since other things should share the blame which has been lavished on Admiral Starck.

‘ On the 8th the nocturnal attractions of Port Arthur were enhanced by a gala performance at Baroufsky’s. ’ Baroufsky was the Lord George Sanger of the East, and rejoiced in the possession

of a circus which could play all manner of things. In the old days, when Baroufsky was in Manila, a grotesque pantomime concluded every performance—pantomime which was in the nature of a realistic warfare between the Boers and Britons, in which the sons of perfidious Albion would appear to have had an uncommonly unpleasant time, to the intense delight of liberty-loving Filipinos. When Baroufsky moved up the coasts of the East, halting at Hong-kong and Shanghai, inconvenient politics were quickly forgotten, and in place of doubtful-looking champions of the Veldt appeared Turkish ballets and pantomimes, in which Georgian beauties, whose calves were the astonishment of all onlookers, danced amazingly on a tan-strewn ring. Sometimes Baroufsky even went to Japan, but he did not love that country, for big prices were his affection, and the little Japanese were never overburdened with money.

All these voyagings, however, were only the preliminaries of the real season, the winter season of Port Arthur—a *Zakouska* of circus performances to whet the appetite for the grand meal at the Viceregal port. Port Arthur will always rank as a beau ideal for entertainers. With thirty or forty thousand men of the army and navy to be amused, and countless hundreds of civilians who were in a fair way towards making their fortunes, it will be easily understood that the champagne flowed at the packed houses of Baroufsky in a way which must have been eminently satisfactory to all concerned.

On the night of the 8th, Baroufsky's was crowded with naval officers. It is only right to say that the majority of the captains of battleships and cruisers were at Admiral Starck's, but there were many dozens of commanders, officers, and midshipmen at the circus who preferred the *sans cérémonie* of a circus tent to the Port Arthur *salon*.

When the first alarm was raised at the circus and a shout went up of "Japonski," roars of laughter greeted what was regarded as a most successful sally of spontaneous wit and nothing else. Presently the persistent booming of quick-firers made even people belonging to the circus become alarmed, and when the big guns of the Golden Hill forts were brought into action and made the whole of Port Arthur crash and echo with the terrible concussions made by modern explosives, something like a great panic actually occurred. But only the naval officers refused to move. Most of them were quite drunk and had no stomach for fighting anyway; but it has been stated to me by eye-witnesses that many who were not under the influence of liquor absolutely refused to move for other reasons. The cowardice of the Russian naval officer soon became a fruitful theme for open reproach even in Port Arthur, where the military learnt to hate the men of their sister-service with a deadly hatred.

Apart from Baroufsky's there were the usual resorts crowded by naval officers. Most prominent among the houses of pleasure were two which

deserve special mention owing to the extraordinary rôle they have played in Port Arthur's brief European history. These two caravanserais were owned and operated by frail American women who, having completed their *tour du monde*, had finally settled at Port Arthur on account of its being one of the chosen spots on this earth for rapid money-making. One was situated in the Old Town, or northern Port Arthur; the second was in the New Town, which lies to the south. Some Port Arthur wit, in a moment of champagne inspiration, had nicknamed them North America and South America, and as North and South America they had long been famous. On the 8th, both haunts were crowded with naval officers, and in the new town it was these American women, sharp even in their decadence, who gave the first alarm. "Run, boys, there's the Japs" is the famous if ungrammatical phrase which attempted to inspire drunken men with a sense of their responsibilities, but which failed absolutely to have any effect. It was not until the morning that those who had all-night leave began to return to their ships, and such was the impression created by this disgraceful conduct even in Port Arthur that public opinion forced the Viceroy to issue an order that no officer must be seen on shore after six o'clock in the evening. Even this failed in its object, for the naval officers landed in the morning and went on board drunk and defiant in the afternoon.

It was under such circumstances as these that

the Great Far Eastern War opened at the Russian empire-building base. When morning came and all eyes could see the damage done to the fleet, something like a real inkling of the *débâcle* which threatened the callous town was felt; but although the panic returned at times during Togo's bombardments, the canker had eaten too deep to be cut out, and no wholesale reform which might possibly have saved the place was thought of.

Meanwhile, Admiral Togo's torpedo flotilla having returned to the Japanese provisional base and reported the damage it supposed it had done, the Japanese Commander-in-Chief advanced on Port Arthur with his combined fleet and engaged the Russian fleet, which still sought shelter under the Golden Hill forts. This action, fought at an extreme range, was really inconclusive, and resulted in but further trifling damage to the Russian fleet, although it was reported at the time that another Russian battleship and three cruisers had been most seriously injured. So far the Japanese attacks had not obtained the results which could have been reasonably expected. So on the 14th February, taking advantage of a blinding snow-storm, the Japanese destroyers once more rushed down on the doomed Port Arthur squadron. But even Russian vigilance had been now aroused, and the attack was almost immediately discovered by the play of the searchlights and repulsed, although another cruiser, the *Boyarin* was stated to have been successfully torpedoed.

Ten days later, the 24th February, the first of

the remarkable series of attempts to seal up Port Arthur, and render the entrance to the harbour impossible for the Russian fleet to attempt, was made with a heroic dash worthy of a better cause. Steamers loaded with cement and blocks of granite, and navigated by a handful of gallant men, rushed from the open sea towards the famous narrow entrance in the face of a storm of shot and shell which churned the water round them and riddled them through and through. In spite of this heroism even the Japanese official reports acknowledged that this effort was not crowned with success. Slit up by the heavy shell fire, the ships had been sunk in deep water far beyond the entrance. Admiral Togo gritted his teeth and prepared to make renewed efforts.

The last days of February and the first weeks of March were taken up with incessant torpedo attacks and wholly ineffective long range bombardments which were beginning to lose even their moral effect on the imaginative Russian garrison and civil population. Twelve-inch shells hurled through the air at a range varying from six to eight thousand yards are curiously ineffective ; sometimes they burst with terrible effect, but in the majority of cases careful observers have noted that they tend to "spin" in their long flight, finally striking the ground without bursting.

Meanwhile, fresh blockading ships had been prepared in Japan, and on the 27th of March the second sealing attempt was made. This time five ships

dashed forward and managed to far out-distance their predecessors in their blockading attempt, but the final result was nearly as unsatisfactory as in the first case.

April came, the third month of the war, and grim Port Arthur stood as calmly indifferent as the most cynical could wish. The weeks of valuable time had not been allowed to go past unheeded. Provisions and supplies of all kinds had been pouring in from the north and from Russia itself; guns had been mounted everywhere that sloth had left the fortress unprotected; emplacements, trenches, wire-entanglements, pitfalls, and obstacles of every description encumbered the ground for many miles round the strong place; whilst the narrow isthmus of Kinchow, fifty miles to the north, was turned into a semi-permanent fortress of the most redoubtable kind—making in Russian eyes an advance down the Liaotung an impossible feat for the Japanese to undertake. Weak Admiral Starck had been replaced by energetic Admiral Makaroff, the Port Arthur fleet was being shaken into fighting courage by the latter, when all hopes were once more dashed to the ground by the tragic death of the gallant Russian commander in the sinking of the battleship *Petro-paulovsk*. Had not his flagship touched a mine on the 13th April and been engulfed in the seas, it is impossible to doubt the fact that the Russian fleet would have at last given battle to the Japanese and perhaps have thus exercised a most powerful influence on the course of the war. It is quite clear

that the Japanese would never have besieged Port Arthur until they made it absurd for the Russian fleet to consider itself any longer a fleet in being. Makharoff's death killed the Russian fleet more effectively than anything else. Henceforth it was but a tremulous shadow of its former self, afraid to venture in the open, afraid of the scorn lavished on it by Port Arthur itself, afraid almost to lie anchored lest the fates attack and utterly destroy it. Never has any fleet presented such an extraordinary appearance as this shameless and incompetent Port Arthur squadron, which was originally destined, according to Viceroy Alexeieff's plans, to play the final card in the huge game of bluff which had been going on for so many months.

Meanwhile, although from Newchwang to Port Arthur, and from Port Arthur to the Yalu, a thin cordon of Russian outposts anxiously scanned the Manchurian coast-line, and tremulously awaited the Japanese descent, not a sign was to be discerned of any movement. When March came and the ice on the river Liao melted, every Russian in Manchuria felt that the Japanese would land at Newchwang, and rapidly advance on Moukden. Fifty times the alarm was given in Newchwang, and as many times it turned out to be false. The Japanese, with their plans sedulously concealed, were working in a silent manner, which frightened the impressionable Russians, simply on account of the immense possibilities which the command of the sea conferred.

It was, however, soon clear that the main Japanese

advance would enter Manchuria by way of the Yalu, and that, until certain necessary things had been accomplished, the Japanese Headquarters Staff would continue to look upon Korea as the only safe base from whence operations could be conducted. It is interesting to trace the manner in which the Japanese went to work and the land-campaign developed.

On the 7th February a small fleet of Japanese transports arrived at Asan anchorage, which is a few miles to the south of Chemulpo. On the morning of the 8th the cruiser *Chiyoda* steamed from Chemulpo to Asan, bearing certain news which brought the transports convoyed by a powerful fleet of cruisers post-haste to the Chemulpo outer anchorage. When the question of the *Varyag* and *Corietz* had been temporarily settled, 1,500 Japanese soldiers were landed as soon as it was dark, billeted on the Japanese settlement, and everything made ready for an immediate start for Seoul, twenty-six miles further off. The next day this detachment reached Seoul, soon to be followed by reinforcements, and all idea of the Russians being able to forestall their rivals at the Korean capital had disappeared. It is remarkable how similar these initial arrangements were to those made before the Chino-Japanese war.

As soon as the news reached Japan that the torpedo-attack of the night of the 8th February had seriously impaired the efficiency of the Port Arthur fleet, the first division of Kuroki's army embarked

and began landing at Chemulpo on the 15th February. As rapidly as possible, the two remaining divisions followed, together with the troops which were to secure the lines of communication, and to garrison Korea. It may be remarked that had the Port Arthur fleet not suffered the surprise which made it the laughing stock of the world, it was the intention of the Japanese to march, if necessary, from Fusan, the extreme end of the Korean peninsula, up to the Yalu—a course of action which would have terribly retarded decisive conflicts, and have done a great deal to remove the great advantage Japan undoubtedly possessed on the outbreak of the war.

Working steadily up from Chemulpo and Seoul, the headquarters of the first Japanese Army under General Kuroki arrived at Pingyang on the 20th March. With Pingyang firmly in his hands, Kuroki could change with confidence Chinampo for Chemulpo, *i.e.* make a port but 120 miles from the Yalu the landing point for his stores and reinforcements. The last days of March were marked by brushes between Kuroki's advance guard and Mischenko's Cossacks, who had been pushed down from the Yalu to feel for the oncoming Japanese. The heavy skirmish a few miles from Chenju on the 28th March, in which a few files of Japanese infantry drove off with considerable loss several squadrons of Cossacks, gave an inkling of what was to follow shortly to people who had expected miracles from a cavalry which relies mainly on a legendary

reputation of the Bashi-Bazouk stamp. On the 6th April, the Japanese advance-guard occupied Viju, and drove the last Russians across the Yalu out of Korea. Two valuable months had been wasted in an operation which could have been far more easily accomplished by other measures.

Several weeks were now taken up in bringing up artillery and the heavy stores over roads that had become well-nigh impassable owing to the break-up of the rigorous winter of northern Korea; and finally, on the last days of April, Kuroki was ready to attempt the passage of the Yalu. Beginning on the 29th April, and ending on the 1st May, sixty hours were sufficient for the three divisions of Kuroki's army to drive the Russians in headlong retreat from positions they had been fortifying and preparing for many weeks, and yet did not know how to handle. The world re-echoed with the praises of the victors of the battle of the Yalu; and in the confused rush of the disorganised Muscovite soldiery down the Fenghuang Cheng road, an index was given to the real condition of the Manchurian army of occupation.

Hand in hand with the passage of the Yalu came other Japanese moves—each one careful and deliberate to despair, but withal synchronising so admirably that the feeling of a relentless machine moving pitilessly down on them possessed all Russian commanders, and exercised a moral influence of the most convincing kind.

At the beginning of May a second Japanese army

had been landed on the Manchurian coast at Takushan, fifty miles from the Yalu estuary. This army, consisting of two divisions, and destined to be known as Nodzu's Third Army, played an important minor rôle—it menaced the Russian line of retreat from the Yalu, should opposition continue to be offered to Kuroki's victorious advance, and it formed a second series of links in a chain which, stretching across the Manchurian highways, would roll up the Russians from the East on their Liaoyang base. Immediately in front of it was Hsiuyen, a town of some importance on the road to Haicheng, where a minor Russian concentration had been attempted since the closing months of 1903. Hsiuyen was soon occupied without any fighting. The feet of clay of the Northern Colossus were fast crumbling under him.

Meanwhile, Admiral Togo, with whom the necessity of blockading Port Arthur had become a fixed idea, was not idle. Although the disappearance of gallant Admiral Makharoff on the ill-fated *Petro-pavlovsk* had reduced the Russian fleet to absolute inactivity, and made mine-strewing its only occupation, periodic bombardments and torpedo-boat assaults continued *faut de mieux* so as to cover the preparations which were being sedulously made to fit out an even more formidable fleet of blockading ships. Finally, on the 3rd May, the last of this desperate series of ventures was carried out under extremely unfavourable conditions. A fierce wind was blowing at the time, and the night was so black and

threatening that it seemed as if the elements were conspiring against the measures of the silent, stern-faced Japanese Admiral. In vain the blockading ships, started on their perilous voyage, were ordered to return by the Commander-in-Chief. The signals were not seen, or not heeded, by the majority, and the ships, flinging themselves desperately forward, succeeded in sinking themselves far nearer their goal than any of their predecessors. On the 3rd of May it was officially announced that Port Arthur was effectively sealed, and, to the protests of the Russians that such was not the case, a facetious Far Eastern periodical responded that sampans were not included in the Japanese blockading programme. We know now, however, that the attempt was abortive, and that the Russian protests were substantially true. Had the Japanese more thoroughly understood the complete demoralisation of the Russian fleet, and realised that the owners of Port Arthur had themselves so boomed the entrance and encumbered it with mines in order to remove the possibility of the dreaded Japanese torpedo boats pushing in amongst them that they could scarcely move as it was, valuable lives and much priceless time would have been saved.

On the 5th May, after some feinting, the Second Japanese Army, consisting of three divisions, under the command of General Oku, landed at Pi-tzu-wo on the east coast of Liaotung, a hundred miles to the north of Port Arthur. A similarity to the procedure adopted in the Chino-Japanese War has to

be noticed, for in the former war it was here that a considerably smaller Japanese force was placed on shore to carry out the attack of the Kwantung peninsula stronghold. Moving inland towards the south-west, the Japanese cut the railway at Pulantien, the frontier point of the Russian leased territory, on the 8th May, and on the last train which sped away north from Port Arthur it is believed that the impotent Viceroy Alexeieff fled, sheltering himself under cover of the Red Cross flag.

Elsewhere, events were marching rapidly enough after an interminable wait of three months. On the 6th May, Kuroki's army reached Fenghuang Cheng, forty miles from the Yalu, and soon after Nodzu's army entered Hsiuyen. As if to wait for good news from their comrades of Oku's Second Army, now marching down on to the Kinchau isthmus parallel to the Manchurian Railway, the First and Third Armies halted awhile at Fenghuang Cheng and Hsiuyen, brought up their heavy impedimenta and stores, and prepared sedulously for their further advance on the formidable Manchurian passes which still barred their way to the Russian bases on the railway.

So far the Japanese machine had moved as accurately and as continuously as any machine fashioned by human hands. It was not until the unfortunate 15th May that the fates turned for an instant frowning faces on the gallant Islanders. On that day the battleship *Hatsuse*, passing over the

mine-strewn seas around Port Arthur, touched mechanical mines, and sank almost immediately to the bottom with an immense loss of life. A second battleship, the *Yashima*, was also half blown up, and, in spite of all efforts made to save her, also foundered. The *Yoshino*, a useful protected cruiser of four thousand odd tons displacement, was likewise rammed by mistake in a dense fog by one of her consorts, and was speedily engulfed. Thus in a few hours, the Japanese fleet had been reduced by 32,000 tons of armoured vessels—a loss that was terrible when the margin of strength was originally barely sufficient for facing the Russian Pacific Squadron in a confident frame of mind.

Admiral Togo now proclaimed a state of blockade over the whole of the Kuantung peninsula, and with communication severed from the north by Oku's rapidly advancing army Port Arthur had ample time to reflect on the parlous condition to which Admiral Alexeieff's policy had reduced it. A veil which was seldom to be raised now shrouded the doomed fortress; and the Japanese, with their sea-communications effectively protected, could proceed to work as they wished.

Within two weeks from the time of the landing of Oku's army at Pi-tzu-wo, his divisions were massing before the narrow neck of land known as the Kiuchau isthmus, where a strong Russian force was powerfully entrenched. Beginning on the 25th May with the storming of Kiuchau city itself, Oku's devoted regiments pressed rapidly forward,

and on the 27th May the final assault on the series of positions, designated collectively—if erroneously—as Nanshan, took place. The Russians, strongly posted in semi-permanent works, defied the successive Japanese attacks with great stubbornness; but, weakened by a flank bombardment from the sea effected by Japanese gun-boats steaming in to the shallow bay of Kiuchau, and decimated by the intense gun-fire of a well-drilled artillery, they could not resist the last attacks. At seven in the evening Oku's three divisions hurled themselves on the Russian trenches in a last desperate effort, and with an absolute disregard for life plunged through wire-entanglements and pitfalls until with cold steel alone the last Russian defenders were driven in a confused *sauve qui peut* down the road towards Port Arthur. The Japanese had gained a signal victory in a piece of work which was far more convincing to military experts than Kuroki's passage of the Yalu. Even supposing that Oku's three divisions numbered seventy thousand men, they had driven from a naturally strong position at least thirty thousand Russians who had the advantage of preparing their ground for three months and of knowing every inch of it thoroughly. Under such circumstances the loss of four thousand three hundred men in killed and wounded sustained by the Japanese, or, say, six per cent. of the total force engaged, is incredibly small, and gave the first indication of the extraordinary carefulness and husbanding of strength

which has been one of the most remarkable features of the present campaign.

The Russians, continuing their headlong flight, did not pause in their retreat to make any stand at Dalny, itself but twenty-five miles from the battlefield, but fell back on the outworks of Port Arthur. Dalny, built at the cost of so many millions of roubles and standing ready, but not yet occupied by any Russian population worth speaking of, fell undefended into the hands of the Japanese on the 30th May, and from this magnificent base, linked to Port Arthur by a well-built railway, the Japanese attack on the great fortress could be directed with the utmost ease.

It soon became apparent that Oku's Second Army, which had cleared the way for a close investment of Port Arthur, was not destined to play the cramping and arduous part of a besieging force. No sooner had Dalny been secured and the country around cleared of all Russian outposts and marauders, than a Fourth Army, Nogi's immortal legions, began to land; and Oku and his men, turning their backs on the scenes of their triumphs, swung round and began tramping up the Liaotung. Seventy miles to the north at Telissu they met General Stackelberg's Siberian Corps of forty thousand men, despatched by General Kuropatkin to the relief of Port Arthur in answer to the popular clamour; and in the sanguinary action of the 14th and 15th of June, known both as Wafangk'ow and Telissu, inflicted a crushing defeat

on the Russians. For the third time in six short weeks a Russian force was in headlong retreat.

Oku's victory was the signal for an advance of Kuroki's and Nodzu's forces, which had been patiently waiting in a line drawn from Hsiuyen to Fenghuang Cheng with advance posts flung far forward; and on the 27th of June the line of passes from Fengshuiling in the south to Motienling in the north, after some vigorous fighting, passed into Japanese possession. From these heights all the defiles out of the mountainous and hilly country of South-Eastern Manchuria were commanded, and the Japanese progress became more easy. Until news, however, came from Oku neither Kuroki nor Nodzu made further movement.

By the 9th of July Oku had made such good progress that he entered the town of Kaiping, fifty miles north of Telissu. Ta-shih-chiao, the important railway junction from whence the branch line of the Manchurian Railway runs to the treaty port of Newchwang, was now less than twenty miles off. Once more a short halt was made to prepare for the inevitable struggle which must come before the Russians would relinquish possession of a point which meant to them their last sight of the China seas for years to come. Two weeks' time was taken by Oku in bringing up his heavy trains, and on the 25th of July, attacking sharply, he forced back the Russians on Ta-shih-chiao after severe fighting. The last days of July were occupied by the Russians in hastily evacuating Newchwang,

Ta-shih-chiao, and Haicheng in the face of the fast-approaching Japanese forces, and on the 3rd of August both the treaty port and Haicheng were in Oku's hands. Henceforth the main body of the Russians in Manchuria was completely isolated from the China seas, and Port Arthur, lonely and abandoned, could play out the last act of a tragedy in almost complete ignorance of how the campaign was faring elsewhere.

The Russian discomfiture was complete. On the 17th of July Kuropatkin had launched the ill-fated General Count Keller's forces in a last and furious attack against Kuroki, entrenched on the Motienling heights. The attack had only ended in failure, as has been frequently explained, owing to the gross disobedience of orders and the childish foolishness of Keller's lieutenants. Had orders been obeyed there seems to be little doubt that Kuroki would have received a severe check. As it was the abortive counter-attack added but one more to the already long list of Russia's failures. Even the fates were against General Kuropatkin. It is time to turn to Port Arthur.

By the middle of June Nogi's forces, consisting of three divisions and certain independent siege corps, were comfortably on shore waiting for the arrival of material for the prosecution of the great siege. But a disaster which it is believed considerably retarded operations, and gave the beleaguered garrison the breathing time so much needed, then occurred.

The Vladivostok Squadron of four vessels, consisting of the powerful armoured cruisers *Gromoboi* and *Rossia*, each of upwards of 12,000 tons displacement, the hardly less formidable *Rurik*, and the swift protected cruiser the *Bogatyr*, had already occasioned much inconvenience to the Japanese Admiralty. As early as the 6th of March Admiral Kamimura, commanding a homogeneous fleet of well-armoured cruisers, had bombarded Vladivostok at long range to sound a note of warning which it was thought might be as effective as that which Togo's combined fleet had roared from the mouths of twelve-inch guns at Port Arthur. Kamimura was speedily deceived. On the 25th and 26th of April the Vladivostokers steamed boldly down the Korean coast from the Primorsk stronghold, and meeting a Japanese army transport and a merchant vessel near Gensan sunk them promptly. In April and May these raids were continued in spite of the defence measures of the Japanese, who, unable to detach an effective squadron from their Port Arthur armada, attempted to restrain the Russian ships by establishing cordons of vessels that were too weak to venture on giving battle.

On the 15th and 16th of June, although the cruiser *Bogatyr* had run on some rocks and been towed back into Vladivostok terribly disabled as early as the 20th of May, the three remaining cruisers, which had received a communication of much importance, arrived boldly off the Straits of Tsushima and successfully intercepted a fleet of

Japanese transports on their way to Dalny. The entire story has even yet not transpired, but the broad facts of the raid are fairly accurately known. The *Hitachi-maru*, a fine vessel belonging to the Nippon Yusen Kaisha, and loaded down with guns, siege materials, and siege-trains, was immediately sunk. The *Sado Maru* was disabled but reached shore in a sinking condition ; whilst other transports were injured to a greater or lesser extent. The foray was, therefore, almost a complete success from the Russian point of view, and Nogi's operations were undoubtedly delayed. Strenuous efforts were immediately made by the Japanese Headquarters Staff to repair the damage done, but the delay occasioned was disastrous in many ways.

On July 1st the Vladivostok Squadron was once more in the open sea in spite of Kamimura and his armoured cruisers, who were now searching diligently for him, and the Korean treaty port of Gensan was severely bombarded. In July the *Knight Commander* was sunk. It was not until the heavy engagement of the 14th of August when Kamimura and a powerful cruiser squadron attacked the Vladivostokers and sunk the *Rurik* that Russian activity ceased.

Meanwhile Nogi's army had been preparing the ground as carefully as possible at Port Arthur, and gradually but surely driving in the Russians on their outworks. From the 26th to the 30th of July there was desperate fighting round Wolf Mountain, a grim eminence a few miles beyond the main

enceinte of the permanent fortifications. By the last day of July the flag of the Rising Sun was planted on the summit of this commanding height, and the Japanese advance pushed cautiously forward. The first week of August saw flanking outworks of some importance captured from the Russians, and the machine-like oncoming of the Japanese began to have its effect.

The Russian fleet, tortured by unremitting bombardments, and haunted with a craven fear of the Japanese torpedo boats, had confined itself for weeks to the inner harbour and the waters immediately under the frowning heights of Golden Hill and Liaotishan. The small army of mechanics and skilled workmen which had been hurried by train from St. Petersburg in February as soon as the news of the surprise attacks on the Russian fleet reached the Russian capital had been engaged in repairing, as effectively as the slender resources of the stronghold would permit, the damage done to the ships. There is but a single completed granite dry-dock in Port Arthur, too small to accommodate big battleships, and a rough and ready patching of formidable rents was all that could be done in the majority of cases.

Notwithstanding everything, however, by the beginning of August the entire Russian fleet was repaired; and on the 10th of that month to the immense surprise of the Western world the entire fleet made a desperate sortie in the hope of gaining Vladivostok. The attempt was foredoomed to

disaster. No sooner had the Russian ships, preceded by mine-clearing vessels, issued into the open than the ever-watchful Japanese swooped down on them. The fierce fire from the Japanese twelve-inch guns threw the Russian fleet into disorder ; a lucky shot, exploding on the battleship *Czarevitch*, blew the commanding admiral to pieces ; and, raked by this hostile fire and with a confused signalling destroying all chance of cohesion, a general *sauve qui peut* followed. A Russian battleship, two cruisers, and several destroyers broke through the Japanese line, and, gaining neutral ports, disarmed ; whilst the gallant little *Novik*, which had distinguished itself from the very beginning of the blockade, steamed rapidly away and actually reached the coasts of Saghalien, a thousand miles off, where it was wrecked. The rest of the Port Arthur fleet, including five formidable battleships, fled back ignominiously to the safe waters of the harbour, and were received by the garrison in a manner which could leave no misunderstanding in their minds. The Russian army considered them cowards, and the position of the naval men became well-nigh intolerable. After the battle of Nanshan it had been unsafe for a number of days for naval officers to show their faces on shore, since the military considered that the failure of the Russian ships to respond to the imperative summons for at least the help of a few ships, which could have re-inforced the single gunboat bombarding the enemy from Dalny Bay and enfilading the Japanese lines, was due to rank

poltroonery and nothing else. By seven in the evening on Nanshan day some of the Russian fleet were preparing to steam out, but by that hour it was too late, for the fight was lost. In Port Arthur it was held that all the troubles of the fortress were due to the unpardonable cowardice and incompetence of the navy.

Meanwhile General Nogi had drawn his lines so closely round Port Arthur that the time seemed ripe for a general assault. Beginning with a tremendous bombardment, whose ominous noise was faintly to be heard from Chefoo to Shanhaikwan, the grand attack of seventy thousand men was at last flung against the chain of powerful forts which formed the main *enceinte*. For five days, from the 19th August to the 24th August, the assault was continued, but in spite of the heroism shown, the stolid Russian garrison at last rose to the occasion and shattered Nogi's regiments. In these five days the Japanese losses, exceeding over 15,000 killed and wounded, constituted 25 per cent. of the actual numbers of the assaulting columns. Unwilling to allow himself beaten, Nogi marked the last days of August with further assaults—all of which were ineffective. It was now plain that Port Arthur was too proud and powerful a fortress to succumb as easily as had been thought, and reluctantly the Japanese made up their minds that a slow and painful approach by methodical sapping and mining, supported by a continuous and systematic bombardment, had become absolutely neces-



A HALT ON THE LINE OF MARCH (JAPANESE).



ON A SAP BEFORE PORT ARTHUR.

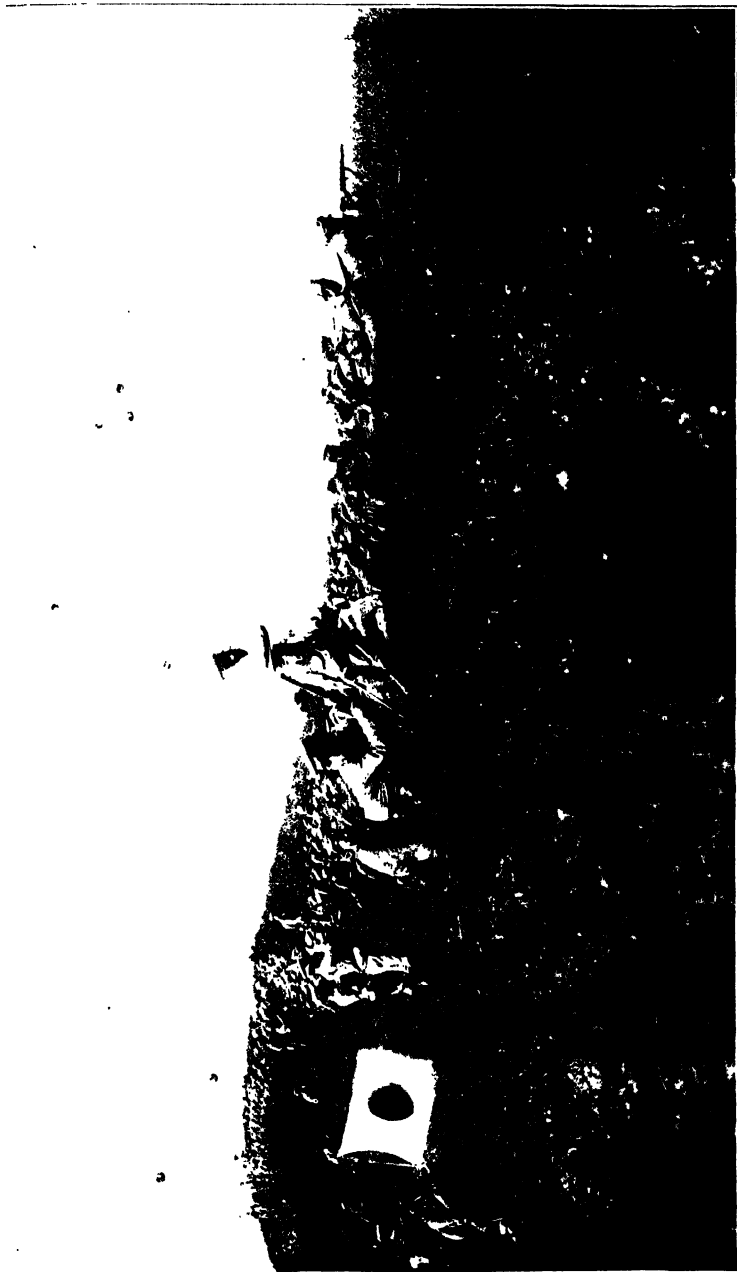
[Face page 138, Vol. II.]

sary. Port Arthur was the first grand disappointment.

The main advance of the three Japanese armies against the Russian base at Liaoyang had meanwhile come to a standstill. After Count Keller's abortive attack on the Motienling, and Kuropatkin's minor efforts to break the chain of armed men which was being slowly drawn around him, the Japanese generals had contented themselves with some weeks of apparently absolute inactivity. With their divisions now joining hands in a vast semi-circle from a point to the north of the Motienling to a point west of Haicheng, the Japanese lines were but thirty miles from Liaoyang. Plainly they were waiting for something. That something was the news that Port Arthur had succumbed to Nogi's attacks. On the 24th August the Japanese Commander-in-Chief, Field-Marshal Oyama, knew that it was useless for him to expect Nogi's divisions to reinforce the First, Second, and Fourth Armies; that heavy Russian reinforcements had been despatched from Russia and were already arriving at Harbin at the rate of several thousand men a day; and that further delay would convert Liaoyang into an impregnable Russian Plevna and duplicate the position at Port Arthur. These considerations made an immediate attack on Liaoyang imperative.

On the night of the 24th the general Japanese advance against the Russian base began. Whilst Oku and Nodzu advanced resolutely from the south

and the south-east, Kuroki stole farther and farther north in a cunning attempt to push his men between Kuropatkin and his line of retreat. Beginning with these operations, it was not long before one hundred and eighty thousand Japanese were wrestling in a death-struggle with a like number of Russians. The conflict, begun on the 24th August, lasted ten days, until the 4th September, and ended in a questionable Japanese victory. The Russians were driven from their reputed impregnable Liaoyang lines by Oku's fierce attacks; but the fear that Kuroki would get between him and the north induced Kuropatkin to draw off and concentrate an immense force in a line running north by east and to leave an ever-diminishing number of men in the huge and powerful line of field fortifications against which the Japanese flung their tremendous frontal attacks. By the 4th September the battle was at an end. Kuropatkin had withdrawn thirty miles to the north, the Japanese had occupied Liaoyang, and each force, completely exhausted by its efforts and a loss of some twenty thousand men, was breathing hard and thankful for the pause. Although there can be no question that the Japanese showed themselves incomparable to their enemies as fighting men in this conflict, it must be confessed that each side could look with almost equal satisfaction on the actual results. The Japanese had forced the Russians to retreat from a series of positions which would, with the completion of the field works and the addition of 100,000 men, have become impregnable; whilst the Russians had



saved their forces from the trap prepared for them at a trifling cost.

All September the European corps which had been fast assembling in Harbin were entraining for Moukden, and by the beginning of October Kuropatkin had received reinforcements which must have amounted to some eighty or ninety thousand men. On the 2nd October, conscious of a strength which exceeded a quarter of a million men, he issued his famous Order of the Day—the most fatal step he had made during the whole course of the war—in which he bombastically announced that the Russian Army of Manchuria had become strong enough to take the offensive. On the 10th October, advancing his huge forces in a vast line, he attacked the Japanese with the utmost fierceness for three consecutive days. Entrenched everywhere, and themselves fully prepared to take the offensive, the Japanese not only drove off the attack but rolled the enemy far back towards Moukden, capturing a quantity of guns and supplies, yet on their side losing three batteries owing to the rashness of a brigade commander. Once more there was a huge casualty roll. The Russians left thirteen thousand dead on the battlefields, and acknowledged a total loss of some fifty thousand men; whilst the Japanese escaped with some seventeen thousand killed and wounded. Again both armies were paralysed by their efforts, and with the exhaustion of their ammunition reserves, and the bitter Manchurian winter already showing itself, it was clear that

the big fighting of 1904 had ended at least round Moukden.

In the south Nogi was still methodically at work. Siege guns of the heaviest calibre were landed at Dalny, and brought up under the greatest difficulties to within a few thousand yards of the Russian lines. A naval brigade with naval guns supplemented the efforts of the military, and by means of a slow devastating bombardment the offensive quality of the Russian resistance was beaten down. The saps were pushed rapidly forward, and some outworks of importance seized, and by October, two months after the disastrous attempt to storm the fortress, the Japanese trenches poked their sinuous lines right under the noses of some of the great forts of the northern and north-eastern front. The close of October and the beginning of November were marked by furious attempts to break the impregnability of the main *enceinte*, but although a lodgment was actually gained on the counterscarp of at least one fort, and the fate of the other forts hung in the balance, the strength of the Port Arthur fortifications and the stubbornness of the defenders still defied Nogi's deathless soldiery.

It had already been made plain that yet other measures would have to be resorted to. Two were selected, the capture of 203-Metre Hill, which, with the exception of Liaotishan, was the most commanding height around the fortress, and the systematic undermining of the great forts of the northern and north-eastern sections.



Commencing in November, and ending with its final capture by the Japanese on the first days of December, the struggle for the possession of High Hill was of the most sanguinary description. At last, at a total cost of 15,000 killed and wounded, the Japanese banners floated over a natural fort, whose entire contour had been changed by the terrific bombardment to which it had been submitted. The famous 11-inch howitzers, flinging projectiles weighing hundreds of pounds, had beaten the Russian defence to a pulp, but round the 203-Metre height thousands of rotting corpses testified to the enormous price paid by attackers and defenders alike.

The capture of 203-Metre Hill marked a very important point in the progress of the siege operations. Directed from the signal stations immediately established on the summit, the bombarding batteries of heavy guns and mammoth howitzers could pour a terribly effective fire on the shattered remnant of the once proud fleet crouching in the harbour, and complete its destruction; and, more important still, could reduce the fortifications of the main *enceinte* to mere shapeless masses of cement and earth, rendering the working of the Russian guns well-nigh impossible. The last days of December saw the northern forts begin to fall, and on the 1st January, 1905, General Stoessel marked the beginning of a new year by his offer to surrender—an offer which was immediately accepted.

Such is a rough and ready account of the tragic year of 1904. The main features are quite clear, but there are many things which necessarily cannot be properly dealt with or appraised for many months to come. Certain interesting considerations, however, may be tentatively dealt with, and it is with this object that some analysis is made of the tremendous field of operations and the very varied factors which go to make up the whole enthralling situation. It is comforting to be able to reflect that if the British made huge mistakes in the South African War, both Russia and Japan, the first in a greater degree, the second in a lesser, have been guilty of faults hardly less to be censured, which only strenuous efforts have succeeded in partially repairing. It is necessary to begin at the beginning, and at the risk of some burdensome repetition recapitulate the position at the outbreak of war, the manner in which the position changed with the slow progress of the war, and the final aspects at the beginning of the year 1905.

It is impossible to understand the parlous position Russia found herself in the very moment the first shot was fired without thoroughly appreciating the true state of affairs in Manchuria brought about by what it is well to term the *Alexeieff régime*.¹

From the autumn of 1900, when the great invasion of the three Chinese provinces began with a

¹ For a complete account of Manchuria under the Russian heel the reader is referred to the author's work, *Manchu and Muscovite*, written a few weeks before the outbreak of war.



JAPANESE FIELD ARTILLERY IN ACTION



THE INSIDE OF A RUSSIAN FORT AT PORT ARTHUR AFTER THE SURRENDER.

The Japan War, Vol. I

Russian force certainly much under 50,000 men, until the second month of 1904, the position of the northern Colossus was an entirely false one, destined to lead to disastrous results. Whilst to travellers, to whom the real Far East must always remain a closed book, it seemed as if Russia was impreguably entrenched on Chinese territory, to those who are able to understand and appraise things oriental at their approximate value it was patent that the Muscovite power had overstepped the limits of her strength. The great effort made to complete and equip properly the Manchurian strategic line—the Chinese Eastern Railway—was an exhausting one for Russia ; the creation of Dalny at an expenditure of some 30,000,000 roubles was a dismal failure ; the defences of Port Arthur were incomplete ; the dream that Manchuria could be thoroughly Russianised was acknowledged to be a vain one : all these things, I say, were understood long before the outbreak of war.

The exact position was this. Sixteen hundred miles of railway had been completed and the permanent steel bridges were almost all in position. Admiral Alexeieff had succeeded in raising the actual number of troops in Manchuria and the Kwangtung leased territory (the Port Arthur territory) by the beginning of 1904 to nearly 100,000 men. He had massed a great fleet of battleships, armoured cruisers, and torpedo craft in the waters of Port Arthur ; whilst four very modern cruisers were stationed at Vladivostok. Beyond this there is nothing to say ;

for the slender chain of armed men extending all along the course of the railway, and massed in small numbers at certain strategic points, was totally insufficient to attract even notice in Chinese provinces containing a native population approaching twenty millions. The Russian towns supposed to exist in Manchuria were totally non-existent, with the solitary exception of Harbin. In their place were a few trifling railway Settlements composed mainly of Russians indirectly connected with the railway or the army, which were finding existence harder and harder as the Russian Government expenditure on railway and army works diminished. Beyond this, as I have already said, there was nothing, absolutely nothing, except a vainglorious and irresponsible bluff. Conscious that he could only maintain his position by pursuing a so-called expansionist or forward policy, Admiral Alexeieff, newly created a "Viceroy" in the face of the open sneers of his rivals, who looked upon him as a parvenu, concentrated his entire efforts in devising methods by which the Japanese would be incapacitated from knocking down his Manchurian house of cards. The methods he pursued have already been most fully dealt with in the chapters treating of Korea. He wished to erect an impassable barrier at the Yalu so that the Japanese, whom he affected to despise so much, could not one fine day advance on him and destroy him, as he knew they would unless things were given enough time to solidify. He also wished to gain such a strong foothold in the Korean capital

itself, by detaching a Russian regiment which would "assure the safety of the Korean Emperor," that the Korean Court would tell the Japanese that they had no business in Korea, and that they had better go away.

The direct Japanese negotiations, a secondary consideration in the estimation of the great Admiral, it is true, became so uncomfortable in January that his policy underwent a material change, and Port Arthur regiments were hastily sent off to the Yalu in a fit of fear; but a glance at the map which revealed the huge bulk of the Russian Empire and the poor little group of Japanese islands was sufficient to give confidence even in moments of some uncomfortableness.

When the Japanese surprise attack of the 8th February occurred, and stern reality brushed away all empire-dreams, there was an absolute, blind, unreasoning panic amongst all Russians from Port Arthur to Harbin and from Vladivostok to the trans-Baikal province. Everyone knew from generals and admirals to *isvostchicks* and engine-drivers that the very thing which should have been averted at all costs—a Japanese war—had occurred, and that the house of cards would tumble down very quickly; for during all 1902 and 1903 it was becoming more and more apparent to all Russians in Manchuria that they were camping in Chinese provinces.

Of the nominal force of 100,000 men under the Viceroy's orders in the "Three Eastern Provinces,"

i.e. the Manchurian provinces, and in the Leased Territory, the approximate distribution in February, 1904, was as follows :—

On the Yalu or along Yalu roads	
or in adjoining districts	22,000
Port Arthur and Dalny	10,000
Railway guards along the railway	22,000
Southern Manchurian concentra- tration from Newchwang to Moukden	26,000
Kirin city, Harbin, Tsitsihar, Ninguta, Hailar, &c., and garri- son posts	11,000
Reservists in temporary civil employ, Port Arthur, Dalny, and Harbin	10,000
Grand total	95,000

A glance at the map will immediately disclose the skeleton-nature of this distribution. The railway guards were needed for the railway, and could not be touched on account of the dreaded Hunghutze. Another comparatively large number of men garrisoned points in Central or Northern Manchuria, where it was necessary to overawe the native population; and thus forty per cent. of the nominal force under the Viceroy's orders were useless for defensive purposes against any Japanese attack. Excluding reservists in Port Arthur and Dalny, the startling fact is revealed that under fifty

thousand men were immediately available to protect (a) the Yalu line, (b) Port Arthur, and (c) four hundred miles of Manchurian coast line against Japanese surprise attacks. The pitifulness of the Russian position will be made clearer when it is remembered that the distances in even Southern Manchuria are vast. For instance, the Yalu is 150 miles, or ten to fifteen days' hard march along terrible roads from Liaoyang; Newchwang is a like distance from Port Arthur; Moukden is 100 miles from the mouth of the Liao; whilst, going farther afield, it may be noted that between Port Arthur and Harbin the kilometerage is not much inferior to that between Paris and Berlin.

A Yalu force, therefore, was an army in the air, as far as Port Arthur was concerned, and if Liaoyang hurried all its troops to the Leased Territory, the way was open for the Japanese to land and march almost unopposed up the central Liao valley if they so wished. Alone there was one thing in favour of Russia—the generals who have saved her so often in her hour of need. Dread January and February had not yet passed away, and so long as March did not appear, a great portion of the Manchurian coast-line was ice-bound, or so obstructed with floating ice that Japanese landings were extremely dangerous undertakings. The interest, therefore, continued to centre round Port Arthur.

When the first Japanese attempt to seal the mouth of the harbour was made on the 24th

February, the ships used being partly filled with combustibles, set on fire by the fierce cannonade which greeted them, it was popularly supposed amongst all classes of Russians that the Japanese object was not to block Port Arthur entrance, but to set on fire the Russian warships lying within. Everybody was delighted when the fire-ships had been sunk. "They will never get through that entrance in the face of our fire," people said. The second attempt of the 27th March to block the harbour slowly forced home on all minds the fact that the Japanese and Russian objects had been similar—*i.e.* to sink the cement-laden ships by the time they reached the harbour-neck ; but, as the vessels had been christened "fire-ships," they remained fire-ships to the end, with a vague feeling that a return to Greek naval warfare had really prompted the cunning Japanese to do these extraordinary things.

All February and March the railway and cavalry patrols watched anxiously for the landing of the Japanese along as much of the Liaotung as they could survey, whilst Chinese junk-masters were promised large rewards if they brought immediate news of the approach of transport fleet. The second attempt of the Japanese made it clear to Alexeieff's staff that the Japanese would not land near Port Arthur until they were certain that the Russian fleet was only a negligible quantity ; and this gave the Russians the first definite clue to the Japanese plan of campaign. They knew a big Japanese army was marching up from Chemulpo and Seoul on to

the Yalu, and they knew that another Japanese army would land and cut off Port Arthur as soon as such an operation was deemed perfectly safe.

The three valuable months of February, March, and April—wasted by the Japanese, as far as Manchuria was concerned—gave the Russians the necessary time to collect themselves, and to forget the first panic. Had any other European Power been in the place of Russia, the passage of these three priceless months in comparative inactivity would have made the Japanese land-campaign at least partially abortive, and certainly paved the way for a long four or five years' war. The absolute incompetence of the Russians alone saved the Japanese from severe checks at the very outset of operations—a state of affairs which, if it had been produced, would have at once been the cause of financial embarrassment to Japan.

All February, March, and April strenuous efforts were made by the Russians to hurry reinforcements into Manchuria and to increase the efficiency of the Siberian Railway, although these were, like all Russian efforts, irregular, wasteful, and not so continuous as they should have been. By the 1st May, General Kuropatkin's main forces had been swelled by fully 50,000 men, and before the victorious passage of the Yalu the Japanese at that date found the distribution of the Russian troops as follows: 45,000 troops in the Leased Territory, 25,000 men on the Korean frontier, 50,000 distributed between Newchwang and Liao-

yang, 25,000 guarding the railway, and 20,000 in other places in Manchuria. The situation had completely changed, and, although it is undeniable that the Japanese would have soon made good their mistakes, no matter what checks they might have received, the Russians could have made their position an extremely unenviable one. The growing Russian confidence, however, was rudely shaken by the battle of the Yalu and the terrible losses which the incompetence of General Sassulich entailed. On top of the news from the Yalu came the dread tidings that at last—on the 5th May—a large Japanese force had landed on the East Liaotung coast at Pi-tzu-wo, and was marching inland. Port Arthur, however, had been fully provisioned, and an almost adequate garrison provided.

General Stackelberg's disastrous attempt at Telissu to break General Oku's force and arrest the siege of Port Arthur was prompted by two things—the slowness and what appeared in Russian eyes the irresolution of the Japanese advance ; and, secondly, the universal feeling existing among the Russians that they had not fought a single action through to the bitter end, and thoroughly tested the capacity of the Japanese. Telissu showed for the first time in Russian eyes the metal of the Japanese. The Yalu fight had been a mistake, they argued, and was not at all convincing. "C'était une grande affaire d'avant-postes," said a high Russian officer to me shortly afterwards ; "mais c'était seulement un desastre d'avant-postes, qui n'ont obéi aux ordres

absolus de Kuropatkin." As for Nanshan, everybody has laughed over the statement that it was only a "big demonstration"; but absurd as this may seem in Europe, it has a great deal of truth from the Russian point of view. The Russian Intelligence Department had already received news from Shanghai that a third Japanese army had left Japan, and it was felt that, had the Russians held Nanshan at a terrible sacrifice, another army would have cut them off from Port Arthur, and thus left the fortress with but ten thousand defenders instead of nearly fifty thousand, and made the defenders of Nanshan and Kiuchau isthmus prisoners. Nanshan Hill and the Kiuchau isthmus are nearly fifty miles from Port Arthur.

June found the Russians in Manchuria, therefore, not unsatisfied. July found them almost happy, although they distinguished themselves by singular incompetence in all the small engagements against the trio of Japanese generals who were slowly but surely closing round Liaoyang. By August, when it was learnt by junk that Port Arthur was holding its own against Nogi, a jubilant feeling was in the air. The Japanese had displayed such caution and "irresolution," that the old feeling that the little islanders were certainly going to be all eaten up after all was beginning to return. Even after Liaoyang, everybody said it was the Intelligence Department which had destroyed Kuropatkin's sense of judgment. From every bureau in the Far East warnings of Kuroki's much-advertised

turning-movement were ticked by the telegraphs into Kuropatkin's ears. "Beware of Kuroki! Beware of Kuroki!" had been the burden of their song, and Kuropatkin massed a huge force on his left to trap Kuroki—a trap which some competent judges believe would have been disastrous for the Japanese right wing, had orders not been disobeyed in such a flagrant manner.

The battle of Shaho was the natural spring-like rebound of forces which had not been thoroughly strained at Liaoyang. It may be said, without discourtesy to the brave Japanese, that had the Russian fierceness at the Shaho been shown at Liaoyang, and a better distribution of forces made, Oku's frontal attacks would have been shattered, and the steel claws of the Japanese thoroughly blunted in their desperate attempts to press to pieces a series of magnificent positions.

And at Port Arthur, the autumn of 1904 found the Japanese position very unenviable. The story of the series of grand attacks delivered towards the end of August was well known in all its details by Kuropatkin at the beginning of September, and cipher despatches brought by junk estimated that Port Arthur could hold out for many months to come. The news of the capitulation of the fortress on the 1st January was the most terrible blow the Russians received, and with it the impression deepened that a long and weary "wasting" war was the only thing which would finally retrieve their fortunes. These few remarks give some indi-



cation of the Russian feeling in Manchuria during the first half year of war.

Turning now to the Japanese side of the question, it is with extreme diffidence that I venture to criticise a nation in arms which on land as well as on sea has given countless proofs of a heroism and a calm disregard for death, and shown a fixity of purpose and an unruffled patience that have seldom been equalled and certainly never surpassed in the entire course of the world's history. But in order to see as clearly into the future as possible, and to realise thoroughly every point of value, no examination which is not impartial can be counted of value.

Japan had confessedly been preparing for nearly ten long years for the present war. Mortified in 1895 by the unconditional retreat from the Liaotung, forced on her by a triplicate of Powers, of which Russia was the leading spirit; irritated to an extent which has been seldom understood by the diplomacy of Li Hung Chang, which secured the concession of the complete Manchurian railway and the lease of Port Arthur and the adjoining territory; and tortured by the spectacle of the invasion of Manchuria under cover of the Boxer outbreak in 1900 by 50,000 Russian troops—Japan was only temporarily appeased by the Manchurian Evacuation Protocol of 8th April, 1902. The failure of Russia to observe the second evacuation period which fell due on the 8th April, 1903, aroused Japanese suspicions, and the activity of Russian diplomacy in Korea confirmed her worst forebodings. Foreseeing that once more

she would be duped were she to fall in line with the rest of the so-called European concert established in the Far East after the events of 1900, she boldly stepped out of the irresolute ranks of those at heart opposed to the Russian advance, but afraid to act, and began her direct negotiations. But in spite of her best endeavours, Russian diplomacy proved itself more skilful and daring, if more treacherous and deceitful, than ever in Korea ; and thus, stung to fury by the prospect of the strategically important Yalu valleys passing into Russian hands, she threw down the gauntlet and rushed to the attack.

It would seem, therefore, that Korea confused Japan and made her anxious at the very outset to accomplish only two things—*viz.* to destroy or cripple the Russian fleet, thus gaining the command of the Eastern seas, and to safeguard Korea by occupying the Peninsular Empire in force ; then, and only as the second part of her programme, to drive a wedge into Manchuria which would isolate Port Arthur and lead to its prompt fall, and finally turn on the Russian armies in Manchuria, and either pursue an offensive or defensive policy.

The narrative of events which has been already made will have shown clearly that this policy, if not false, was at least unnecessary in one of its most essential parts—*viz.* the programme of the land campaign. For Russia had never really menaced Korea except by bluff and cunning diplomacy. Russia never had any real foothold in Korea, and there was no necessity, except for political reasons,

to send a single Japanese soldier ashore in the Hermit Kingdom. All that was wanted was to strike immediately at Manchuria, and the detested Russian pressure on Korea would have disappeared automatically. To accomplish this two objectives had been placed in sight, and rigidly kept there, to the exclusion of everything else—the capture of Port Arthur and the uninterrupted march on Harbin. These were the only two Russian strongholds in Manchuria—the first because it represented Russian prestige and might, which were ridiculously over-rated by the world at large at the beginning of the war ; the second because it was the stomach and entrails of the army and the railway. Beyond these two places, Russia in Manchuria was a myth, and as soon as these two places had fallen the war, as far as the Japanese offensive warfare was concerned, would have ceased. Vladivostok could have been cut off and starved to death in less than a year, and Russia would have beaten herself to pieces against the impregnable lines Japan could have raised along the course of the Sungari river. Two weeks should have been sufficient to capture Port Arthur ; four months should have been sufficient to reach Harbin ; four months more might have secured Japan along the Sungari, and by the winter of 1904-1905 Russia would have ceased to exist in Manchuria.

* These statements, which would have been received incredulously a year ago owing to the extraordinary ignorance of the real conditions existing in Manchuria, are now, in the light of recent history,

irrefutable. Nor can it be argued as an excuse that the Japanese suffered from any lack of knowledge of the Russian position in the coveted usurped Chinese provinces. There were regular offshoots of the Japanese Intelligence Department at Port Arthur, Dalny, Newchwang, Ta-shih-ch'iao, Liaoyang, Moukden, Tiehling, Kuan-cheng-tzu, Kirin, Harbin, Petuna, and Tsitsihar, besides numberless agents travelling the country and accumulating a mass of data which, perhaps, may have contributed to some extent to the blurring of the main outlines, but must nevertheless have tended to make the Japanese knowledge of the situation as nearly perfect as human forethought could make it.

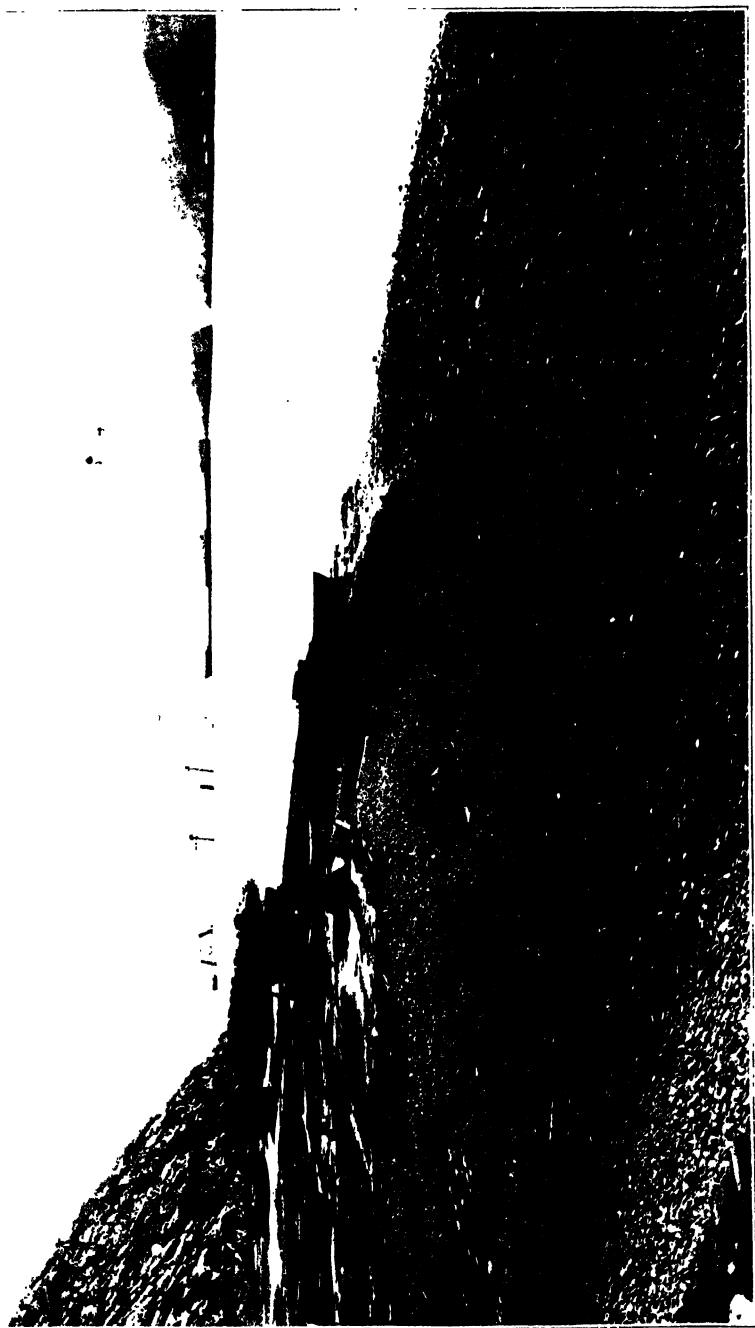
And yet with all this knowledge, three months were wasted, and a cast-iron plan, flexible in certain of its components, but inflexible as a whole, rigidly adhered to. There is a single excuse, which might to some extent vitiate the whole line of reasoning were it really valid—*i.e.* that the Manchurian coasts were icebound when the war began, and that no landings were possible. This is true only to a certain extent, for, although thin ice collects even in Port Arthur and Dalny harbours, it in no way impedes navigation, and it may be said that a line drawn from Pulantien (on the Liaotung inlet called Port Adams) on the west coast, to Pitzu-wo on the east coast, marks the ice-free coast. This means that nearly 200 miles of Manchurian coast-line is practically ice-free. Thin float-ice is no danger to navigation or landings.

But there is another point. The outbreak of war saw Japan isolate Korea so effectively and rapidly that not one word of news excepting such as she allowed to pass of her own free will passed out of the country. As soon as she had realised that Korea had ceased to be a danger-point—which should have been realised two hours after the rupture of negotiations—Port Arthur should have been attacked by an overwhelming force and immediately crushed. There was never any question of danger from the Russian fleet. Even though the night attack of the 8th February had not taken place, the Russian ships would have been thoroughly beaten by the Japanese. Of that there is no shadow of doubt. The October (1903) manœuvres of the Russian fleet had disclosed such a mass of shortcomings that every Russian in Port Arthur knew, long before the war, that there was something radically wrong with the Russian navy. All the battleships had foul bottoms and defective boilers, and could not steam within three or four knots of their registered speed. The gun-practice was deplorable—there is no other word for it—and the knowledge of the naval officers absolutely deficient. I remember well in September, 1903, the tremendous scenes which took place in Port Arthur owing to the farcical nature of the naval manœuvres. Mimic warfare had been indulged in with the object of testing the Port Arthur sea-defences, but operations came to a sudden and unexpected end. None of the battleships could steam together, for they were a

veritable fleet of lame ducks. The cruiser-captains were at daggers drawn, and the engineers could do nothing with the engines. Afterwards the fleet gave it up as a bad job and thankfully dropped anchor in the outer anchorage. All the Port Arthur restaurants were full of a loud gossip concerning what had been discovered. By two or three in the morning people could learn many astonishing things. In my work which exposed the true Russian position in Manchuria before the war, no reference was made to the Russian fleet as a possible factor if Japan really threw down the gauntlet. The Russian Pacific Fleet existed in Brassey's and the Navy Lists, but it was never a fleet in being. These things cannot be too much dwelt on.

But the Japanese night attack of the 8th February, although partly abortive, made this fleet undeserving even of the name, and left it to await panic-stricken the fate which it realised must overtake it. All these things must have been known to the Japanese, and it must therefore be conceded that they have attached far too little weight all through the campaign of 1904 to moral considerations, when one remembers further that it must have been equally well known that the Port Arthur garrison was but a few thousand men at the time of the first attacks; that the fortifications on the land side were incomplete; that the bay of Dalny—Talienwan—was not mined.

Under these circumstances the three attempts



made in February, March, and May to seal the Port Arthur entrance must be classed as wholly unnecessary operations. If it had been considered vital to block the neck of the harbour this should have been done on the night of the 8th. A big steamer could have easily entered Port Arthur before the outbreak of hostilities and been sunk without difficulty in such a manner as to shut out effectively all the large vessels of the Russian fleet. Such a steamer was actually purchased several weeks before the war, and it was only to be supposed that Russian suspicions must have somehow been aroused. It was not until the end of March that an adequate Russian garrison was provided for Port Arthur, and with its coming all hope of a speedy reduction of the fortress vanished. The mistake made by the Allies half a century before at Sebastopol was repeated with a curious accuracy by the Japanese at Port Arthur.

The first battle of the war, the engagement called by the Russian officer "*une grande affaire d'avant-postes*," must have demonstrated to the Japanese the valuelessness of their cautious policy. Even supposing that the 25,000 Russians drawn up on the banks of the Yalu had been handled with consummate generalship, the Japanese superiority in numbers, and the fact that a landing at Takushan would have threatened the Russian flank, would have been sufficient to have forced a retreat sooner or later. Nor can Nanshan, fought twenty-seven days after,

be looked upon with unmixed feelings. Upwards of four thousand men were sacrificed in terrible frontal attacks when a division landing beyond the Kiuchau isthmus—a course of action which even the Japanese staff must acknowledge feasible, seeing that Port Arthur was officially sealed—would have threatened the Russians in their flank and rear and brought them helter-skelter back into Port Arthur. Finally, by the time Generals Kuroki and Nodzu were ready to attack the great Manchurian passes, the Fengshuiling, the Motiënling, and the Taling at the beginning of June, any other commanders but the Russians would have probably checked their advance for many days and inflicted on them most serious losses, which would have indefinitely delayed the advance on the great Liao plain.

It is plain, therefore, that a little more Russian desperation would have completely upset the main Japanese campaign owing to its unnecessary leisureliness, just as Port Arthur arrested Nogi's attempts, and that over-cautiousness is apt to become just as fatal as excessive rashness. For Kuropatkin was rapidly changing the state of affairs in Manchuria which I have called the Alexeieff *régime*. It was during the immediate aftermath of this *régime*, whilst topsy-turveydom still reigned supreme, that Japan had a heaven-sent opportunity to make a short and brilliant campaign, exactly as Prussia and her German Allies had done under almost exactly similar circumstances in 1870.

Yet more unfortunate was the Japanese underestimate of two vital points ; of the carrying capacity of the Siberian and Manchurian Railways and of the provisioning capacity of Manchuria. In the early days of the war European experts, after trifling with lesser figures, fixed the maximum number of men who could be supplied by the railway at 200,000, and stubbornly held to this view, although it had but little to do with the main question—the feeding capacity of Manchuria itself for armies in the field. This feeding capacity is quite unlimited, and the only question of value was, therefore, How many men could Russia bring into Manchuria *per diem* with their fighting trains and munitions of war fully supplied? Most opinions agreed that 800 a day was the maximum—a view which will be presently shown to have been utterly false. When Prince Khilkoff, the Russian Minister of Communications, hastened to the Baikal and personally oversaw the construction of the Circum-Baikal Railway, and the extension of sidings, everybody explained that the capacity of the railway was being doubled in an unforeseen manner. This is equally erroneous. For the price of 500 roubles the complete maps and plans of the Siberian and Manchurian Railways were to be purchased at Harbin during the whole of 1903, and for a far more moderate sum a short study was permitted. From these documents it is clear that nearly everything that Prince Khilkoff rushed so hurriedly to see was already marked as Completed or Completing, and that after the usual

Russian manner he was only trying to make up for lost time.

Under these circumstances, it was highly regrettable that the Japanese staff arrangements did not permit of a complete wrecking of the Manchurian Railway in February at the outset of hostilities. Nearly half a dozen isolated attempts were made in a half-hearted manner by small groups of men—notably the Sungari Bridge attempt—to blow up vital points, but there was an unpardonable lack of thoroughness in these secret plans. Wrecking-bands, each of several hundred picked men, could have been assembled in a manner so as not to create suspicion, and have driven away the small posts of railway guards, and by wholesale destruction paralysed for many weeks the entire Russian campaign. After the Sungari Bridge affair Russian suspicions were aroused, and it was not easy to venture even near the railway. How important this matter might have been was fitly illustrated by the touch-and-go struggle at Liaoyang—thirty weeks after the first shots had been fired.

In spite, however, of all delays, miscalculations, and mistakes, the perfection of the Japanese military machine and the iron discipline and energy of the infantry succeeded in bringing the three Manchurian armies round Liaoyang by the beginning of August. A severe check had undoubtedly been given to Japanese plans by the stubbornness of the Russian defenders at Port Arthur, and the gap in the Japanese divisions massed before Liaoyang occa-

sioned by Nogi's absence was responsible for what the Russian staff characterised as the "irresolution of the Japanese advance." There was never any irresolution to be found in Japanese plans, but there was undoubtedly some miscalculation and far too much adherence to ideas which were falsified by events.

The news which Nogi communicated to Field-Marshal Oyama on the 23rd or 24th August—that it was impossible to take Port Arthur by assault, and that the old method of approach would have to be adopted—made it necessary for the Japanese main armies to attack Liaoyang immediately, although a strong consensus of opinion was in favour of waiting for the heavy reinforcements which were to fill partially the gaps created by Nogi's absence, and which were timed to land at Dalny and Newchwang in the first and second weeks in September. The terrific nature of the assault on Liaoyang was fully understood, but as each day added to the Russian strength, even Japanese caution admitted that no delay was possible. To some extent, therefore, the attack on Liaoyang may be regarded as a "forlorn hope," necessitated by the miscalculations and delays of the first seven months of the campaign, and the intense agony of suspense noticeable in Japan at the time may be taken as proof positive that the entire Japanese nation instinctively felt that a supreme moment had come when victory was only separated from defeat by a thin piece of paper. Happily the intensity and

accuracy of the Japanese artillery fire and the iron discipline and energy of the infantry completely destroyed Kuropatkin's judgment at the supreme moment ; and, haunted alike with fears for the safety of his communications and a distrust for his lieutenants, he gave way before a final decision had been arrived at.

For the Japanese Liaoyang was the most important event of 1904. Without winning Liaoyang the year 1904 would have been a year lost. At last they were safely planted on the great Liao plain from which they knew it would be impossible to dislodge them, and more important still they were now on their true line of advance, Newchwang—Liaoyang—Moukden—Tiehling—Kaiyuan—Harbin through the great central valley of Manchuria. The wedge-driving through mountainous districts, conducted from difficult and distant bases, was a mistake from beginning to end ; for the true gate to Manchuria from the sea is Newchwang and no other place.

Continuing this critical analysis, by the month of September it was clear that what had been understood by the Government of Japan must be communicated to the people and thoroughly understood. There was no longer any prospect of a speedy ending to the war, and all idea of the original Japanese army being sufficient for the task in hand vanished. Before the outbreak it was with astonishment that the published views of Japanese political leaders were read, stating resolutely that if

necessary Japan was prepared to send 300,000 men to Manchuria. Three hundred thousand men! The Mikado's Rescripts and the Imperial Ordinance of the 29th September, 1904, showed that the Great War, hitherto confined to battles which were in the nature of preliminary fencings—important operations though they may have been—would soon commence. By the September Ordinance the strength of the Japanese army was immediately increased by four divisions of recruits called in to form the extraordinary corps newly-created, besides an addition of five divisions from the Army of the Second Reserve—to wit, a total of nine divisions numbering some 200,000 men. This new increase added to the existing thirteen divisions of the mobilised army gave a grand total of twenty-two divisions, the strength of each in the field would vary according to circumstances from 20,000 to 30,000 men. A grand Japanese army of from five to six hundred thousand men was thus created which would be quite ready for the first or second month of 1905. Besides this, the new military law enabled a large draft to be made permanently from the dépôt troops, while it was clear from the number of recruits joining the colours that the major portion of the 150,000 young men (selected carefully from the males yearly liable for military service) annually enlisted in the Japanese army (active or reserve—the latter untrained) was to be trained immediately, each new year's contingent being called upon to take up arms.

These points are most important, for they show clearly that the Japanese Headquarters Staff at least accepted without questioning the lessons of seven months' warfare, and immediately prepared to face the new situation unflinchingly. The battle of the Shaho was without much consequence from a purely Japanese point of view—it was merely a gross Russian mistake. It cannot be denied that Oyama would have resumed the offensive had not Kuropatkin saved him the trouble by forestalling him; but Oyama was in no haste to move until a final decision could be arrived at regarding Port Arthur and its power of resistance.

Turning to the great fortress, it was plain by October that much progress had been made by the Japanese in their sapping and mining operations, and that the lines round the main *enceinte* were being steadily tightened. The enormous struggle which took place for the possession of 203-Metre Hill was made not so much for the ultimate destruction of the Russian fleet, as has been popularly supposed, but for the pulverising of all Russian resistance. That the great forts must be blown to pieces by the terrible indirect bombardment of the eleven-inch monsters was patent, for sapping and mining was a very slow process, and was destined to become every day slower as winter frost gripped the iron soil of Port Arthur more and more. It is impossible to suppose that Admiral Togo feared a fresh sortie of the Russian fleet after the disgraceful attempt of the 10th August, and the loss

by disarmament in neutral ports of one powerful battleship and three cruisers. With 300,000 men shivering on the Shaho, and the heavy guns hurling death and destruction into defiant Port Arthur, the old year closed not too cheerfully for Japan.

CHAPTER XXVII

THE GREAT WAR. (B) FROM THE FALL OF PORT ARTHUR

LIKE a thunder-clap the news crashed all over the Far East that General Stoessel had offered to surrender on the 1st of January, 1905. Forty-eight hours after his *parlementaire* rode into the Japanese lines, all the Far East knew what had happened. The fall of the Russian fortress brought very mixed feelings, varying from frantic joy to gloomy pessimism; over an enormous coastline which knew not what this meant for its future. It was an absolute surprise to everyone—of that there is no doubt; for in spite of the terrific bombardment of the main *enceinte* the fortress had only just been slightly broken into, and it was still a demon among strong places.

Under such circumstances it took some time for things to be placed in their proper perspective; but slowly and irresistibly one fact began to stand out more and more clearly. Already in August, the torpedo-boat *Reschitini* had brought news to Chefoo which a favoured few were able to appraise at its right value. Dissensions after three months' isola-

tion were already rife in the fortress; the military and the naval people refused to co-operate; and whilst there were many fierce spirits among the garrison who favoured the vaunted Kruger policy of dying in the last trench, there were many others who desired to save their skins at any price. This much was even then quite clear. The curious mixture of the heroic and the despicable—which probably in the main is the natural disposition found among large numbers of men—was bound in the end to have unfortunate results for the Russians.

The arrival of the destroyer *Rastoropyny* on the 15th of November at Chefoo confirmed the news which had already leaked out. General Smirnoff, the Commandant of the fortress, and his Chief of Staff, General Kondrachenko, were stated by the Russian officers and men of the torpedo-boat to be the leading spirits in the defence, fiercely advocating a fight to the death; whilst General Stoessel, the supreme Commander of all forces, whom the world had already baptised a hero of mediæval type, and his inner ring of Generals were already in favour of surrender. I state this on the authority of an officer of the *Rastoropyny*, who left six weeks before the fall of the strong place. Then in forty-five days came the collapse.

At first the world wept to learn that but five thousand able-bodied men were left commanded by two or three score unscathed officers; that the hospitals were choked with untended wounded, who filled the air with their cries; that everything was

beaten flat to the ground by the terrible Japanese shells, made more terrible by the whispered words "Shimose powder"; that there was no fresh meat, no vegetables, no flour—in fact no food at all; and that the garrison had drained a bitter cup to the last dregs and earned for themselves an immortal name by so doing. Everybody in the Far East knew within ten days that such fantastic notions were the irresponsible opinions of men anxious not to be stigmatised immediately as cowards; but it required the famous telegram of the 20th of January, despatched by the cool-headed *Times* Peking Correspondent, to brand the capitulation with the right name—a discreditable surrender, if nothing worse.

The Japanese, always calm and patient, were never carried away to such an extent as to give praise where nothing extravagant was due; and their verdict spoken immediately after the fall must remain as the truest summary which has yet been compressed into a single sentence—that General Stoessel's surrender was more honourable than that of Bazaine at Metz, and nothing else. When the divulgations now being prepared are read by the world at large this will be more amply demonstrated.

But could anything more discreditable emerge than that which has already been published in the Japanese official and private accounts? Food there was in plenty for at least eight weeks, and possibly for twelve, when we consider that including private stocks there were at least 10,000 tons of flour—a

sufficient quantity to furnish daily at least 100,000 pounds of bread for months ; that there were approximately 2,000 horses, equal to a meat ration every day for every man for ten or twelve weeks ; that private stores existed in such immense quantities that tinned meats could have taken the place of fresh horse-flesh when the latter was exhausted ; that vegetables and eggs were flowing in daily by junk to supply the hospitals ; that tens of thousands of tons of coal, great magazines stored with shells and explosives, six million rounds of small-arm ammunition, and hundreds of serviceable guns also remained ; and finally there were at least twenty thousand still defiant soldiery who wept at the idea of surrendering ; five thousand unscathed sailors ; dozens of mighty forts still unapproached by the Japanese saps. Never has such a list been presented to the world.

And yet Stoessel surrendered whilst his men were still resolutely fighting, and in surrendering misrepresented all the facts. Reiterating his falsehoods, he has sped all the way from Port Arthur round the Eastern world, and has been at length swallowed up, still protesting, into the embracing arms of Great Russia herself, with a new story hinted at that there was a secret reason !

The immediate effect of the fall of Port Arthur was that automatically the Russian army in southern Manchuria was destined to be destroyed—of that there was no shadow of a doubt. Whilst all were exclaiming everywhere in the world that Port Arthur

had fulfilled its office and allowed Kuropatkin to gather a great army, it was patent to the few who have made a special study of Manchuria that Port Arthur had merely done as much as could naturally be expected from anything Russian, *i.e.* from sixty to eighty per cent. of what an efficient nation would have done in the same case; and that to talk of its having accomplished more was folly. It was absolutely necessary for the Russian cause that Port Arthur should hold out until March, ~~as~~ it could have possibly done. It was necessary for three great reasons—each one as patent to the student as anything could be. The first and by far the most important was that General Kuropatkin's complete reinforcements could not possibly be assembled in Manchuria until April—May, and that until these reinforcements had swelled the numbers of his grand armies, it was impossible for his immense front, which he purposed turning into impregnable lines like those which Wellington fashioned at Torres Vedras, to be in any way secure. This front, stretching from a point south-east of Hsinningtun, curved away to the Yalu regions, and in the ordinary course of events would have become at least 180 miles in extent.

The reinforcements which General Kuropatkin calculated to receive are almost impossible to estimate in view of the constant "overlapping," in calculations made. Thus, after the heavy fighting of the autumn of 1904, it was announced that three Russian armies would be organised, and the

corps mentioned made it appear that seventeen complete army corps would be placed under Kuropatkin's supreme command. Assuming the strength of each corps as being 32,000 men—a liberal estimate—this would have meant a grand total of 544,000 men. But immediately after the fall of Port Arthur, to show that the “inflexible will” of the Emperor would be inflexibly executed, it was once more grandiloquently announced that an additional force of 200,000 men would be despatched.* Adding these together gives a total of 744,000, an army the like of which has seldom been witnessed. Must we accept these figures as approximately correct? The answer must be in the affirmative, allowing always for an over-estimate owing to the impossibility of keeping corps that have long been in the field at anything like their normal strength. Thus it would appear to have been decided that a Russian force equivalent to three-quarters of a million men was to be massed in the Far East by the spring of 1905. But Kuropatkin could not claim all these men for his southern Manchurian armies. Vladivostok and the Pacific province must be guarded against the Japanese; the railway had to be protected; and reserves maintained at Harbin and elsewhere. Thus it will be clear that the main Russian armies under General Kuropatkin's immediate command could not have totalled more than 550,000 men under the most favourable circumstances, until new mobilisation arrangements had been made, and that the massing

of such a force could not have possibly been completed until May, 1905. The first reason why it was of permanent importance for Port Arthur to resist to the death is quite clear.

The second is hardly less important. Although it is not clear whether the Japanese could have taken the offensive effectively without the help of the Port Arthur army, it is certain that, just as at Liaoyang, they would have made a supreme effort to turn Kuropatkin back from Moukden, and it is possible they would have succeeded. They could, however, never have pushed properly home any advantage gained without Nogi's four divisions and special artillery brigades—a force amounting to fully 140,000 men. But the special point is this: Port Arthur was rapidly becoming a Spanish ulcer to the Japanese—was beginning to play the same part as Spain had played to the greatest of the world's generals by swallowing up thousands and tens of thousands of men, and thus weakening Japan more and more. How many men Port Arthur cost the Japanese is by no means clear, but it would seem that 12,000 corpses were left on this grim battlefield, and that a stream of invalids and wounded amounting to 70,000 men had trickled home. Three months more such desperate fighting might have cost 50,000 more men, and this alone would have effectively prevented Oyama's main armies from receiving the constant reinforcements necessary for a constant offensive. Had General Stoessel been really a hero, had he been gifted

with but a moderate perception of the stupendous influence Port Arthur was exercising on the whole campaign, Japan might have been placed in a terrible position, and overstrained herself at a critical moment. The gods, however, are on her side, and the die is cast.

The third reason is almost equally important. By the end of March or the beginning of April the severe Manchurian winter breaks up, and the moisture in the ground "comes up," as the Chinese say. In other words, the thaw brings about such a slime and mud on the great cart-roads and the tilled fields that for a number of weeks the highways are terrible, and traffic nearly impossible. This state of affairs may last for many days, and be further aggravated by the torrential falls of rain, the first heralds of the tremendous rainy season which distinguishes the Manchurian summer. In such weather it is impossible to move on the roads, and Kuropatkin by May could have made his second line—the Tiehling line—quite impregnable.

It is patent, therefore, that the acquisition of Port Arthur, which should have been attempted immediately on the outbreak of war, spelt a Russian collapse in southern Manchuria. The fierce attempt made by Kuropatkin in the battle of Heikoutai to drive a wedge into the Japanese centre, following after the abortive Rennenkampf cavalry raids, which aimed at destroying the Japanese lines of communication, showed that at Russian headquarters the significance of the fall of Port Arthur was beginning to

be realised, and that secret fears were gnawing at some hearts. Comforting themselves, however, after the usual Russian manner, in which "nichevo" and "it will be all the same in 100 years" are the main arguments, a culminating battle in Manchuria became rapidly inevitable.

Nogi and his four divisions, with their heavy artillery brigades, left Port Arthur with commendable promptness, and were soon swallowed up into space. In a desultory sort of manner, on the 26th February, it was realised that the greatest fight of the war had commenced. Beginning their frantic frontal attacks all along the line, a force of Japanese, which cannot be estimated at less than 580,000, struggled valiantly to break the Russian lines, behind which were massed some 350,000 bayonets and sabres, together with a formidable force of artillery. Once more it was the story of Liaoyang, but this time the increased Russian resistance was not only slowly borne down, but an entirely new feature was introduced. Suddenly, on the 5th March, the Russian cavalry became aware of great bodies of Japanese infantry and artillery marching in dense columns towards the north and the north-west of the extreme Russian right wing over the dismal Liao plains. The movement seems to have been looked upon for many hours by the Russians in exactly the same way as Lord Roberts' great turning movement on Cronje and his force, entailing their final capture, was viewed by the Boers. Kuropatkin, indeed, set his reserves into movement after some inexcusable

delay, but too late, too slowly, and withal a little incredulously. By the evening of the 7th, however, Nogi's columns had made such good progress, and were so far to the north-west, that a panic took hold of the Russian staff, and hastily the retreat was ordered.

It was impossible to save the centre of the right wing. Pushed down parallel to the Hun river in a V-shape, the Third Russian Army was many miles to the south of the Russian centre, which rested on the Fushan coal-mines, fifteen miles to the north-east of Moukden. Whilst the Russian retreat was in full progress, one of those terrible Manchurian dust-storms, which make movement more impossible than the densest London fog, caused the Russians to halt for several hours groping helplessly about. The Japanese columns to the north and the north-west, wrapping their heads in cloths, dashed onward, edging in more and more to the east, whilst along the entire front flying columns were detached, which hurried along the roads leading to the north. Alone the Russian left wing, hidden in the Manchurian highlands seventy, or even eighty, miles away from the unlucky Third Army, could defy any Japanese attack and choose its own time to retreat; for in districts where there are only frowning mountains and solitary cart roads even a few thousand Russians may defy twice as many Japanese.

Thus, while in one part of the immense battleground a retreat, which was fast becoming a rout, was in progress, on another the Russians were still

stubbornly resisting every Japanese attempt to advance, and whilst Tiehling, forty miles to the north of Moukden, was actually occupied by the Japanese before the middle of March, the neighbourhood of Shengking, which is parallel to the Shaho positions, was still in Russian hands.

But the Russian discomfiture was complete. Making enormous efforts, Kuropatkin saved possibly 250,000 men out of an effective force which, had not the battle of Heikoutai taken place, would have exceeded 400,000 men, and was, even after the heavy losses which marked the preliminary January and February fighting, not very many thousand men below that grand total. Nearly 30,000 Russian dead were left on the battlefield, nearly 30,000 prisoners fell into Japanese hands, whilst a huge train of wounded and dying men, which must have numbered 70,000 to 80,000, trailed pitifully northward towards Harbin, and increased the demoralisation of the beaten army.

It was a brilliant victory for Field-Marshal Oyama and his gifted Chief of the Staff, Baron Kodama, the Kitchener of Japan, but it was dearly purchased. The Japanese casualties are variously estimated at from 50,000 to 80,000 men, and although they will not be accurately known until the end of the war, it is safe to believe that they were more than three times as heavy as those sustained in the great September and October engagements of Liaoyang and Shaho of the previous year.

In such fashion have the Japanese demonstrated that they are still the most patient pupils in the world, and that every incident or event, good or bad, is a lesson to them. During the fourteenth month of the war, in spite of many mistakes and miscalculations of the first seven months, they have brought to an eminently successful conclusion the greatest battle in the world's history, in which considerably more than 900,000 men were fiercely engaged. It is time to peer into the future, and in the light of recent events attempt to foresee what three more years of possible warfare may bring about. But before doing this a necessary word must be spoken concerning the belligerents.

Since tabulated information really forms no criterion of the relative military potential, a few reflections may not be out of place.

Taking first the Japanese, the campaign of 1904 and the opening events of 1905 have amply demonstrated a great number of things which may be briefly referred to. First of all, it must be said that the Japanese infantry as it exists to-day is undoubtedly the first infantry in the world. Its iron discipline, its energy supplemented by intelligence, cleverness, and cunning, make it unite all the qualities of a conscript army, in which men are mere machines and may be sacrificed at will, with those of a mercenary army like the British or the American, in which free-will and personal initiative replace the essential characteristics of a Prussian-modelled war-machine. This extraordinary com-

bination is very simply attained by the Japanese Headquarters Staff. The numbers of young men who become yearly liable for military service in Japan has been in the past between 300,000 and 400,000. Of that number about 150,000 are selected as fit for military duties, and the flower of this small percentage chosen, amounting to 50,000 or 60,000, is drafted into the active army, whilst the rest are rated as *depôt* or supernumerary troops and remain a partially-trained last reserve. The result is clear. The fighting army of Japan and its fully-trained reserves are all men of education, intelligence, and first-class physique, and possess all the qualities of a combat-liking mercenary army, with the advantage of a Prussian system slightly changed to meet such special conditions. This mobilised army of first-class soldiery was divided into thirteen divisions when the war broke out. But the modification in the military law, referred to elsewhere, extended the service of men who had hitherto been no longer liable to be called to the colours, and thus added more than 200,000 fully-trained men of a splendid age to the existing forces in the field. Five divisions of these men have already been formed and sent to the front, whilst three additional divisions* of recruits—in training since October—have also been despatched, or are about to be despatched. Thus it is clear that Japan has actually to-day (March, 1905) upwards of 650,000 men in Manchuria and Korea, and that within six months she will be able to place 400,000 to 500,000 additional troops in the

field, composed of the prime of her old dépôt-troops, who have been in training for many months, and of the increased 1904—1905 conscript-contingents. Of this grand army of a million men, all are of excellent physique, and have received a complete training; and, stiffened by the seasoned troops, all may be counted on to acquit themselves as brilliantly as the flower of the army did in the earliest fights. Although it is regrettable that the Murata rifle will be the armament of much of the newly-raised infantry, and not the improved Meiji rifle, this will be an unimportant factor, seeing the excellent way in which the troops of the second line are distributed amongst those of the first.

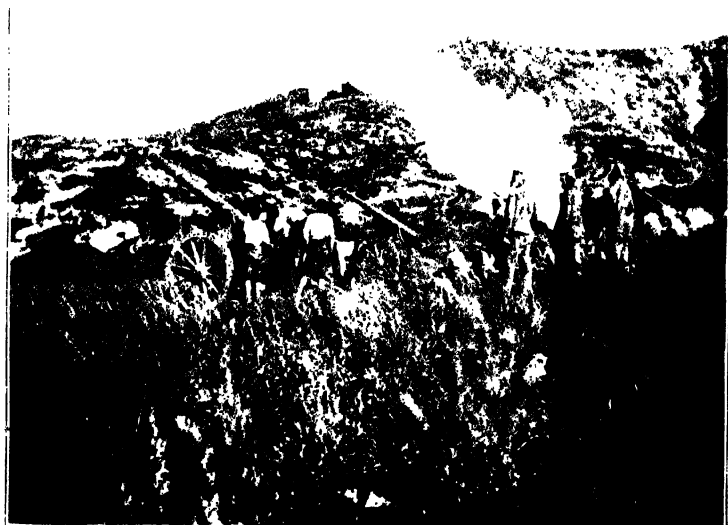
Of the Japanese artillery too much and too little has already been said. Until 1900 the artillery of Japan was not much better than the cavalry—that is to say, that although the best had been done with indifferent materials, that best was comparatively speaking poor. The artillery, for instance, which accompanied the Japanese army on the march to Peking was very poor and ineffective, for the re-armament of this important arm with the Arisaka gun was only then beginning to take place, and the field guns of the day were obsolete weapons. Even the new model gun is decidedly inferior to those of the new Russian field batteries; but it fires a shell with a very powerful bursting charge, and the merits of the new Japanese Shimose powder are so well known that they need not be discussed.

The lessons of the Boer war have, however, not been lost on the Japanese, and, beginning with the heavy guns they captured from the Russians at Nanshan, which found their first effective employment at Liaoyang, the Japanese have steadily increased their artillery strength by adding supplementary batteries of heavy guns, many of which have been taken from the Russians, until they are very well provided in this respect. But it has not been sufficiently noticed that up-to-date weapons of great range purchased in Europe and America are being constantly added to the existing Japanese artillery parks, until it is quite certain that those armies operating along the great central valley through which the railway runs to Harbin, and where heavy artillery may be easily moved, will actually outclass the Russians in gun-fire. This state of affairs was little dreamt of at the beginning of the war.

The two most important arms of the Japanese Manchurian armies are therefore not likely to deteriorate in quality, even though a constant stream of young recruits and old conscripts—the former, men of twenty belonging to the war-levies of 1904 and 1905, the second, picked men of the former dépôt troops—adds to the already formidable number of men in the field. Infantry and artillery will alike be resolute and well-trained, and, as in past battles, the intense fire of the latter will be rivalled by the fierce onslaught of the former. It is unnecessary to refer to the Japanese cavalry,



6 IN THE FIRING LINE.



CAPTURED CAMEL GUNS IN ACTION. [Face page 1, 4, Vol. II.]

since its duties have been from the commencement of the war merely nominal.

The leaders who command these admirable bodies of men are difficult to rate at their true value. Whilst Kuroki has shown qualities which strongly resemble those of Lord Kitchener—to wit, a great capacity for detail work, enormous preliminary preparations, a disinclination to move under any circumstances until the last gaiter-button was fixed—he has also shown serious limitations. In the supreme moment of battle some rashness, which cannot be called strategical or tactical daring, would seem to imperil his judgment, and he is prone to destroy all that his other great qualities have effected. It is abundantly true in his case that a good organiser cannot be an equally great fighter.

In General Oku we find an entirely different type of general, for here we have the man, above all others, who has demonstrated in at least four battles that the German theory is correct, and that frontal attacks, given energy, unity, and numbers, are still decisive. In three terrible engagements—Nanshan, Telissu, and Liaoyang—the enemy was driven from powerful positions by repeated and steadfast assaults of Oku's infantry, flung on with a disregard for losses which would have disconcerted most European generals. From the Russian point of view Oku must be considered a more dangerous adversary than Kuroki, reserving as he does for the blood-stained battle-field his entire abilities. The third general, Nodzu, is quite overshadowed by

Kuroki and Oku, and, excepting that he is the Commander of a necessary link in the chain of Manchurian armies, his name does not seem to call for special mention.

Finally, we come to Nogi, the victor of Port Arthur. It is here that we have the most admirable, if not the most brilliant, soldier in the entire Japanese army. Not only is General Nogi a Spartan hero, but he has moral and mental qualities which place him far above most men, Japanese and Europeans alike ; and it is his secret desire never to return to his fatherland, but to offer himself up on the altars of his country as a slight atonement for the losses in men before Port Arthur, for which he considers himself, quite unjustly, the cause. With his two sons sacrificed, the one at Nanshan, the second on 203-Metre Hill, it might be considered that he had paid dearly enough for the triumphs of the war.

It is not surprising that a general of this stamp is an object of absolute veneration to his troops, and that they willingly make any sacrifices to win his praise. What Admiral Togo is on sea, General Nogi is on land. When Togo called for volunteers to take part in the third blocking expedition against Port Arthur, 20,000 sailors fought with one another for the privilege of steaming to an almost certain death. Similarly on land, Nogi has but to speak the word to have whole divisions pressing forward to take part in "forlorn hopes," as was the case in the terrible struggle for 203-Metre Hill. It is under such circumstances quite impossible for such soldiery

to be defeated if flesh and blood can possibly accomplish victory.

The Japanese Commander-in-Chief and his Chief of the Staff have been likened to Lord Roberts and Lord Kitchener in South Africa, and, although it is doubtful how far the comparison was meant to go, for the sake of illustration there is no harm in quoting the simile. Field-Marshal Oyama is no young man, and belongs to a school which completed its studies with the lessons of the Franco-Prussian war. The Commander-in-Chief is, however, a very strong man, and an eminently sensible one, and, standing as high as he does in the councils of his Emperor, he commands that respect and implicit obedience which have been so markedly wanting on the Russian side. Under him, and popularly believed to be his "brain," is Baron Kodama, a highly scientific modern soldier in the prime of life. So much is attributed to Baron Kodama that it is difficult to gauge the extent of his influence. It is said that in determining the exact conduct of the war his word is final, and, although this may be an over-statement, there is no doubt that he supplies what has been sometimes lacking—a final decision, which is immediately carried out.

The supply and medical services of the Japanese have excited so much comment that reference to them is almost superfluous. A word, however, is not out of place concerning the former.

The battle of Liaoyang furnished the Japanese

with the most valuable lesson of the war in the matter of the supply and auxiliary branches. Although the most elaborate precautions had been taken to prepare everything possible on the most liberal scale, there can be no doubt that the ammunition reserves were completely exhausted during that first great battle of the war, and that the victualling arrangements were likewise defective. Two reasons may be assigned for this :—first, that the ammunition consumption was at least twice as heavy as the most liberal estimates had anticipated, and, second, that the non-combatant branches had been cut down as low as possible in order to reduce the huge numbers of followers who have hitherto encumbered the movements of every army in the East. In the Chino-Japanese war it was found that every third man was a non-combatant, *i.e.* fifty military coolies, or army service men, were necessary for every hundred fighting men. When troops were merely numbered by tens of thousands of men the evils of this system were not so apparent, but when the totals rose to hundreds of thousands, such huge trains would mean disaster. The Japanese consequently discarded, or, to be more correct, reformed, the old system for the present war, and availed themselves enormously of Korean and Chinese portage and cartage. Thus many of their arrangements were merely provisional when they were subjected to the greatest strain.

Since Liaoyang both these matters have been thoroughly dealt with, and, it is said, with such suc-

cess that in the last battle the ammunition reserves were sufficient for one month's continual fighting, whilst the Chinese cartage and coolie system, maintained at a cost of at least 7,500,000 yen a month, was feeding the men right up to the firing-lines. What the Russians have failed completely to do—to avail themselves of the magnificent transport facilities Manchuria provides in the shape of the caravan-cartage—the Japanese may be relied upon to do. So much for the Japanese army. Everything from heavy artillery to camp-followers and transport is already arranged down to its last detail, and upwards of half a million men are moving methodically and patiently towards the great North in the fourteenth month of the war.

It is with very different feelings that one turns and glances at the Russian side of the question, for never in the world's history should such a universal prayer go up from a distressed nation; all cry, from irresolute Czar to downtrodden moujik, "We have done those things which we ought not to have done, and we have left undone those things which we ought to have done." Indeed, were there not such wonderful health in the Russian people in spite of its great faults, the structure of autocracy might well have crashed down thunderingly beneath the blows dealt in Manchuria. As it is, no true critic can say more than this—that until the fall of Port Arthur and the disastrous battle of Moukden, Czarism was almost unaffected by the war, and that

only now in the fourteenth month, after losses which might well have broken the heart of any other people, is the truth being thoroughly realised.

But on the Russian side the war has proved nothing new, nor shown that the observations of fifteen months ago need be in any way modified. In a word, the Russian has remained a true Russian, and that is all. Careless, sinfully wasteful, vain-glorious, but yet with a good heart, foolish, indifferent, and many other things, this most extraordinary, and in many ways most wonderful, of Europeans has gone his own way, with half the world behind him clamouring over this disaster or that defeat, or weeping over battlefields converted into mere shambles, or praising Port Arthur heroism (as it appeared in newspaper columns), or upbraiding him for real or imaginary brutalities; whilst he, the main actor, shrugs his careless shoulders and smokes his eternal cigarettes; in all truth the most extraordinary and wonderful of Europeans, marching serenely, as some see it, down to the pit.

The army of a nation of such men might in all truth be anything. It might be splendid on the battlefield as it is brilliant and magnificent on St. Petersburg parade-grounds; or it might be as ignoble as only a routed French army can be, which a great authority has declared to be an army of women. But the law of averages tends to make it merely an odd combination of the magnificent and the absurd, if nothing worse—a state of affairs which is

fatal for it in front of the relentless Japanese machine.

Taking first the rank and file of the Russian army, the war proves conclusively that untutored and untrained soldiery, no matter how brave or how stolid in the face of disaster after disaster, can have but little effect on a modern battlefield. The Russian infantryman, lying couchant with fixed bayonet, and firing blindly at an agile enemy who pushes forward ever nearer and nearer to him in his small-group formation, is an object of pity. He is inevitably sacrificed sooner or later. If he proves too stubborn, and attack after attack launched against him fails, the devastating artillery fire is resumed and steadily and methodically increased, until the faces of his positions are blasted to pieces. Then once more the small groups start, running rapidly forward, dodging to and fro, and confusing his fire-discipline. Brute-like the Russian infantryman allows his bulky frame to lie motionless when he should be up and counter-attacking; and when at last the retreat is sounded and he lumbers heavily away, he and his brothers instinctively mass into human targets on which rifles and cannon remorselessly play. Poor devil! he is at least magnificent in defeat because he has a heart of gold and bears no malice.

This Russian infantryman is therefore badly trained and badly led, and man for man is no match for the Japanese in his present condition and frame of mind, although it might be very different later

on. Neither the Russian nor the Japanese soldier is a good shot ; but whilst the latter has everything in his favour the former has nothing. The extraordinary practice, still rigidly adhered to, of keeping bayonets fixed is quite inexplicable. Alone the Russian sharpshooter battalions go into battle like other troops ; but around them the dense masses of line regiments send up a glitter of steel which may make a brave show but renders good shooting impossible.

The Russian artillery, which people spoke of as being outmatched by the Japanese guns at the very first battle of the war, the Yalu engagement, is very different from the Russian infantry, and, had it only been properly employed, might have played a very different *rôle* to that which has been seen. Unlike the infantryman, the Russian artillerist is very often a man of some education and intelligence, and he has officers to my knowledge who are worthy of commanding him. The artillery officers are indeed scientific soldiers, and with the Engineers form a society apart from the infantry-commanders. The new Russian field guns which, with the exception of a few batteries belonging to Siberian commands, formed the artillery of the original Manchurian army of occupation, were certainly superior in every respect to the Japanese. But in every engagement the Russian artillery has laboured under such serious difficulties that its effectiveness has been reduced to a minimum. Just as the positions chosen for the infantry were invariably indifferent, if

not actually bad, so was the Russian artillery distributed in such a manner by divisional commanders as to make its fire ineffective. On every occasion when guns should have been massed, and the Japanese advance held by the tremendous storm of metal flung at them, battery commanders were left to shift for themselves and pay the penalty for bad generalship in the loss of their guns. Such cases as the one so constantly quoted at the battle of Liaoyang, when a single Russian battery remained valiantly in action up to the bitter end with the entire fire of the Japanese divisional corps concentrated on it, have occurred again and again. Like the infantry the excellent artillery is callously sacrificed owing to bad generalship, and will continue to be sacrificed in the future until the end of the war, unless a very different kind of Russian general is suddenly evolved.

It is almost with a smile that one turns to the Russian cavalry. Who did not expect wonders of it, judging by the lessons of the Boer war! The Russian cavalry were going to accomplish all sorts of things. First when Kuroki was painfully toiling up the head of the Korean peninsula towards the Yalu, the telegraph flashed the joyful news that General Mischenko with 6,000 Cossacks was prepared to harass unremittingly the Japanese columns. Visions of charging Cossacks, with the traditional steppes twisted into high mountains and deep valleys to suit local conditions, floated through everybody's mind, as soon as it was known what

manner of country Korea was. The Cossacks, if they only got home in Elandslaagte-like charges, would soon double the little Japanese up, thought the wiseacres. Then nothing happened at all, and soon Kuroki was across the Yalu, and a routed Russian army was in full retreat. True, one little cavalry brush was mentioned—six squadrons of Cossacks against a half-company of Japanese infantry at Anju; but the Cossacks galloped fiercely about with a good many men slipping down from their saddles under the Japanese fire, and then vanished. After that no more was spoken of the horsemen of the steppes for nearly one long year. Then came the abortive Newchwang cavalry raid when a blow might easily have been struck of a most severe nature, owing to the curious Japanese carelessness which is sometimes shown—doubtless to demonstrate that over-carefulness makes for forgetfulness at stated intervals. With everything in their favour, the Russian cavalry accomplished nothing, absolutely nothing, and retired to be soon swallowed up in the great Moukden retreat. With 30,000 cavalry, who are at least splendid horsemen, it is not too much to express the view that General Kuropatkin should have thrown away half in a series of constant attempts at the Japanese lines of communication during the winter 1904—1905. Apart from this, the Russian cavalry scouting has been little short of disgraceful, and the manner in which the mounted patrols allowed the great Japanese flanking movement to be pushed rapidly

forward along the left bank of the Liao without conveying timely notice during the Moukden battle merits the severest censure.

Finally, the Russian sappers and miners have been true to the traditions of Todleben and others who have made their work celebrated throughout the world. Given time and means the results they can accomplish, and have accomplished, are what has been expected. In fortification work the Russian has little to learn.

But this mass of soldiery, the sturdy infantryman, the scientific artillerist, the picturesque cavalryman, and the painstaking engineer, have all their good qualities destroyed by their subaltern and commanding officers. With the exception of the counter attack after Shaho, in which fourteen Japanese guns were captured, there have been no occasions on which Russian generals have distinguished themselves, except by their crass ignorance and brutal sacrifice of their men. And when the supreme moment arrives, and the last hair which weighs down the scales in favour of victory or defeat is about to be placed, the courage and judgment of these men seems to desert them, and before a final decision has been arrived at, they order a general retirement. Is it a moral conviction of their own incompetence which brings this about, or have we here a curious phenomenon, the explanation for which must be sought in the inexplicable Russian character? It has been well said, that both on the bloodstained battlefields of Liaoyang and Shaho, Kuropatkin's

calm deserted him when a German general might have snatched a victory, short-lived though it might have been. It is my good fortune to have known certain Russian generals, and a firm conviction exists in my mind that whenever you find a hard-working conscientious general, you have a man whose scientific knowledge is distinguished by its absence; and, conversely, that whenever you come across a scientific soldier, you meet a man whose talents fit him for the lecture-room but not for the battlefield, since he is never able to apply his erudition to the elucidation of every-day problems. Whatever faults Kuropatkin had, he most certainly possessed the capacity for moving immense bodies of troops without confusion in critical moments. The substitution of General Linevitch for General Kuropatkin is therefore, perhaps, more significant than has been thought. General Kuropatkin, so worthily christened General Rückwärts by the German Press, has exhausted the policy of falling back at critical moments; and now that he is gone we may find something entirely new—which will be dealt with shortly.

Is Linevitch a fit Commander? It is hard to say. Risen from the ranks, decorated with the coveted Order of St. George nearly thirty years ago, he is the perfect type of the old-fashioned war-dog, and may be relied upon to smite hard when the time comes. But a little story will illustrate the man much better than reams of writing.

In 1900, when Linevitch commanded the Russian

division which made the famous race for the Peking Gates to forestall the Japanese, he was well known for his *bonhomie*. The Russian headquarters were soon established in a princely residence in Peking, and the Staff Mess was the scene of much joviality. One day I was an honoured guest, and after the inevitable *zakinska*, I looked forward with hungry appetite to the excellent Russian soup which was bound to follow. But, alas! the spoons were only sufficient for half the staff officers, let alone the poor invited. The incident passed off with soup being eaten in two shifts, amid much laughter from the genial General, who learnt two French words for the occasion, "Mangez toujours, Mangez toujours," which he repeated *pour encourager les autres*, who were waiting with wolfish eyes. Then came a roast, and the General held up his arms in despair, and became embarrassed. There were but six pairs of knives and forks, and at least fifteen people. A foreign officer attached to the staff then whispered, "It has been like this ever since we marched up, and nobody makes any attempt to remedy matters." A month later I met the foreign Captain, and asked him laughingly about the spoons, and the knives, and the forks. "It is just the same," he answered, "these Russians are incorrigible, and the General is worse than them all."

Again in April of 1904, when the war was but ten weeks old, Colonel Munthe, a Norwegian officer on Viceroy Yuan Shih Kai's staff, was sent from Tientsien to Newchwang to arrange certain details

about Moukden. General Linevitch was in Newchwang and asked laughingly how long the war would last, and how many men Russia would need for a decisive Manchurian campaign. "Three years and half a million men," was the answer he got, which sent him into fits of laughter. "When we have 300,000 men," he retorted, in the inevitable Russian way, "we will crush the Japanese flat—flat as the Liao plain." In spite of all his rough soldier-ways, Linevitch evidently has the Russian trick for effective phrase-making. Who could equal General Kuropatkin's order beginning with the sonorous "the inflexible will of the Emperor will be inflexibly executed," or Stoessel's "Great Sovereign, forgive us. We have done all that was humanly possible." It is such language which shows the complex but brilliant Russian character.

Into Linevitch's hands are placed for the time being, until the fresh inevitable shuffling of cards, the destinies of Russia in Manchuria; and now at last we come to that absorbing consideration—the campaign of the future. What are the Russians going to do? How long will they resist the victorious march of the Japanese? and how will they dispose their forces?—these are some of the questions which must be answered, even though it be tentatively, in order to make any future discussion justifiable.¹

¹ Publisher's Note.—The conclusion of peace has made it seem desirable to relegate to an appendix the author's interesting forecast of Japanese strategy in Manchuria, and of the possible change in fortune which might be produced by a new spirit in Russian policy. They are retained as affording, perhaps, some key to the decision of Japan's diplomatists.

CHAPTER XXVIII

THE GRÉAT MISTAKES OF THE WAR

THE condition in Manchuria and Korea at the time of the outbreak of war should be fully realised by now. Russia never really menaced Korea in any way excepting with bluff; that is to say, she was seeking to acquire a foothold but had not yet acquired it. In Manchuria, instead of having completely absorbed the country as was universally stated at the beginning of February, 1904, she possessed a total number of troops and railway guards which scarcely exceeded 90,000 men, and which was powerless to rule the population. A series of sharp blows struck quickly and resolutely would have brought about the most sensational collapse recorded in the world's history; but the collapse, although it has actually taken place, finds Russian armies a year and a half after the beginning of the war still only 190 miles from Newchwang and occupying considerably more than three-quarters of Manchuria; nor can the fact be lost sight of that the Russian battle-line is more formidable than it ever was before.

The 90,000 armed men who represented the Czar's might in the disputed Chinese provinces in February, 1904, had four tasks to perform; to guard 1,600 miles of Manchurian railway from the attack of train-wreckers; to garrison Port Arthur; to defend the Yalu line; and to watch 400 miles of Manchurian coast against Japanese descents. Such a force was therefore entirely inadequate for the task, knew and felt its inadequacy, and expected daily, if not complete annihilation, at least rapid defeat. Reinforcements could not begin to arrive regularly for several weeks as the Russian mobilisation scheme is slow and clumsy; the Eastern Siberian forces were nearly all employed in Manchuria and the Primorsk, and the Amur military district mobilisation was required for the defence of Vladivostok, Possiet Bay, and the adjacent territory. Therefore, reinforcements in any numbers had to come from Western Siberia and Russia itself, and ten to fifteen weeks had to elapse before such reinforcements would improve the situation from the Russian point of view. Japan had therefore three months in which she might have acted as she pleased in Manchuria without meeting with serious opposition anywhere. Those three months must be counted lost.

In addition to the above, the opening of hostilities found Admiral Alexeieff, as Viceroy of the Far East, still absolutely supreme and also absolutely incompetent to direct the enormous mass of naval and military politico-diplomatic affairs awaiting his

immediate attention without hopeless confusion ensuing. Admiral Alexeieff had gathered round himself a brilliant but unbusinesslike staff and stood directly for Czarism and the Grand Ducal party. Allied by morganatic marriage to one of the greatest personages at the Imperial Court, whose name it would be indiscreet to mention, his position was unassailable until heavy disasters made his temporary effacement advisable. This was another reason why the Japanese should have struck promptly, a reason more powerful than the first, as confusion is the most potent ally it is possible to have.

In furtherance of his own policy and of the Manchurian-Korean bluff, Admiral Alexeieff had, at the end of 1903, despatched large numbers of the troops massed in Port Arthur to the Yalu line and elsewhere along the coast, leaving only one brigade and some fortress troops, perhaps some 7,000 men in all, at Port Arthur. Everything, therefore, was in Japan's favour. She was properly informed, as there were Japanese Intelligence Departments at Port Arthur, Dalny, Newchwang, Haicheng, Liaoyang, Moukden, Tiehling, Kuan Cheng yu, Kirin, Harbin, and certain other places. Further, Japan knew the exact condition of the Russian fleet, and that condition indicated that the Port Arthur Squadron was not a serious naval force.

Having everything thus in her favour, Japan showed some undue precipitancy, if the departure of the additional Russian Squadron from Suez

hastened the breaking off of negotiations. Until the naval reinforcements passed Singapore—which is fifteen days' steaming at moderate speed from Port Arthur—there was no need for hurry. The time the additional squadron would have reached Singapore would have been approximately the 1st March, and had negotiations been therefore continued three weeks longer it would have permitted the entire secret mobilisation of the Japanese army—then thirteen divisions totalling some 550,000 men ; and the completion of all other preparations should have included the despatch of thirty powerful armed bridge-wrecking parties to Manchuria and the entry into the Port Arthur inner harbour a day or two before the rupture of negotiations of two or three cement-laden ships, which could have crept to the neck of the harbour and sunk themselves in the fairway immediately firing commenced. Had the rupture been delayed until the 1st March, the opening of the Liao river would also have allowed Newchwang to be seized within a week or two ; and, as has been amply proved, Newchwang and not Dalny is the true base in Manchuria from whence to conduct all operations.

The military operations of the Japanese, occupying the first three priceless months of the war—the Kuroki march up the Korean peninsula—can only be explained by four things : that the shadow of the Colossus had fallen so long across Korea that it had finally ended by impressing the Japanese imagination ; that Japanese generals wished to take

no risks in their first encounter with European troops; that Admiral Togo was not certain of crushing the Russian fleet immediately; and that Japanese credit did not permit any risks being taken. None of this was based on sound premises, as subsequent events have indeed shown. For had the Russian fleet and Russian army been well handled, they would have delayed the cautious Japanese programme to such an extent that the programme would have had to be largely recast. Even as it is, although it has not miscarried (as some youthful correspondents allege) it has been delayed greatly, and everything is more than half a year behind-hand. That is, every step has taken, and is taking, twice or three times as long as the paper-estimates deemed necessary; and, therefore, the original Japanese idea that it would take two years to drive the Russians out of inhabited Manchuria and off the Pacific littoral is likely to be proved entirely wrong. That Japan was expected to act rapidly by some authorities is clearly shown by the calculation of one of the foremost military critics in England, who published notes in which it was estimated that the Japanese advance should reach Harbin by the first week in May, 1904, *i.e.* twelve weeks after the outbreak of war.

As has already been written in preceding pages, there should have been but two Japanese objectives in the Manchurian regions—Port Arthur, the brain of the army and navy, and Harbin, the stomach of both. Every effort should have been made

immediately to seize these two vital points at once at no matter what cost, and sacrifices of an appalling character would have been fully justified. Japanese credit might have suffered during the first half-year, through such sacrifices having been made, but it would have been far better for Japanese credit to have suffered abroad during the first six months of the war than for a possibility to remain, as it undoubtedly still remains in spite of all victories, that the budgets of the last years of the conflict will only be framed with immense difficulty.

The failure of the torpedo-boat attack of the 8th February has already been so censured that it is unnecessary to return to the charge. That attack, which should have placed all Russian ships capable of going into the battle-line permanently out of action, and been followed by the sinking of an old ironclad like the *Chin-Yuen* in the narrow channel (the sounder plan of having sealing ships actually within the harbour-limits before hostilities commenced not having been adopted), saw the Russian fleet only slightly damaged and its bad *moral* still further lowered. No landing operations followed Admiral Togo's attack, and whilst he held the Russian fleet panic-stricken, and the Port Arthur garrison expecting to be annihilated—a psychological moment such as only occurs once in the whole course of a war—absolutely nothing was done. Only towards the end of February was there any indication of a Liaotung landing being contemplated. The first blocking expedition of

February, had it been successful, would probably have seen a landing made by the 1st March. As it was, it was not until two months later, in May, that General Oku's force was put on shore. This operation took place eleven weeks after the proper time, and the disembarkation was carried out at least fifty miles too far to the north of Port Arthur. These eleven weeks had been squandered in vain and meaningless sealing operations and equally ineffective long-range bombardments by the Japanese combined fleet.

The victorious passage of the Yalu by General Kuroki's army; the deathless fight of Nanshan; the landing at Takushan, and the savage battle of Telissu must be all classed as operations made growing out of the peculiar Japanese programme, and not necessitated in the first instance by the conditions actually obtaining in Manchuria at the beginning of hostilities. Had a Japanese army been landed immediately in the neighbourhood of Talien bay, Port Arthur would have been cut off with at most ten or fifteen thousand defenders, and might have been immediately carried by a fierce assault, and neither Nanshan nor Telissu would have been necessary. Similarly, had Japan contented herself with merely occupying Seoul and the immediate neighbourhood with a few thousand men, and allowing the Yalu* frontier line (as she indeed allowed the Tiumen frontier) to shift for itself for the time being, General Kuroki's force could have been set on shore at Pi-tzu-wo—where

Oku actually landed—and marched immediately north on Liaoyang, occupying Newchwang *en route*, and making it the immediate base for all Manchurian operations. The Russian Yalu forces, threatened in their rear, would have fled north, heading straight for the Haitung-cheng districts, and Moukden could have been occupied by the end of March, 1904. Lastly, had the Japanese used the Russian railway as they found it, *i.e.* keeping the broad gauge and not changing to their own gauge—their advance would never have been delayed as it has been by transport difficulties. All the locomotives and duplicate bridges should have been ordered in America at the end of the year 1903, and put on shore in Japan by the time of the rupture. As it was, the month of May, when the first land-fighting occurred and the Japanese began to appear in Manchuria, found Port Arthur re-provisioned and supplied with a garrison of nearly fifty thousand men, whilst the fortifications had been immensely strengthened by the addition of a large number of small forts on which the brunt of the actual fighting at first fell; and in addition to this the appointment of General Kuropatkin as Commander-in-Chief and the arrival of reinforcements, totalling some 70,000 men, meant the rapid-sweeping-away of the 'Alexieff régime' of muddle and the substitution of a purely military system. These things had an immense influence on the *moral* of the Russian forces which until then had been deplorable.

The month of May—there is no time for a microscopic examination—saw three Japanese armies at last in Manchuria. General Kuroki across the Yalu and heading for Feng-huang-cheng ; General Nodzu landed at Takushan ; and General Oku marching on the Kinchau isthmus. The Russian defeat at Nanshan and the driving in of the Port Arthur forces saw a fourth army, General Nogi's, placed on shore at Dalny in June, and Oku's force, with their gallant exploit of Nanshan spurring them on, marching rapidly north towards Liaoyang. At once the whole preliminary Japanese programme stood fully unmasked. The first objective was Port Arthur, Port Arthur alone, and the main Japanese armies were for no other purpose than for drawing a net round General Kuropatkin's forces and preventing them from succouring the beleaguered fortress. Not until Port Arthur had been captured, a result which it was hoped would be accomplished by the end of the rainy season, say the 1st August, would Field-Marshal Oyama's armies, reinforced by the Port Arthur besieging army, become a striking force. The weakness of this reasoning was soon proved. General Nogi, in spite of his preliminary bombardment, found his great assaults in August beaten back with a loss of fifteen thousand men. The three months of grace had allowed the Port Arthur garrison to be raised to fifty thousand men, great quantities of warlike stores rushed in, and innumerable minor defences to be erected which

masked the big forts, making it impossible to come to grips with the defenders. This was a most serious discovery for the Japanese, for it embarrassed their entire plan of campaign, which had falsely been hinged on Port Arthur; and not only this, but Generals Kuroki and Nogi soon found that the experience of the war with China counted for but little. The lines of communication, upwards of one hundred miles in length, which had to be maintained with the Yalu bases, were terrible burdens. Transport difficulties were soon immense in the hilly country of south-eastern Feng-tien province, and so slow did the building of the light railway from the Yalu advance, that the winter of 1904 found it only half-way to Liaoyang. Under such circumstances to maintain 120,000 men in such regions was an impossibility.

It speaks well for Japanese resolution that Field-Marshal Oyama on receiving General Nogi's August reports decided on instant action. He knew that if he delayed one week longer, not only would Liaoyang become a Plevna, as has already been realised, but that it would not be possible to maintain the forces of Generals Kuroki and Nodzu where they were on the Russian flank through the winter without terrible sufferings. In other words, the Japanese extreme right wing and right centre would have to be drawn in, allowing General Kuropatkin to push forces between the main Japanese armies and the Yalu—thus destroying the work of months.

The battle of Liaoyang has been already so much discussed that it is useless referring to it again at great length. Too much stress has been laid by critics on the fact that there was much confusion in Japanese tactics. There could not but be confusion, for the whole Japanese attack was a desperate venture—in fact a grand forlorn hope. Every man in the Japanese armies understood that the absence of Nogi and his men necessitated extraordinary exertions, and although the battle has been so adversely criticised it will in a few years be rated as one of the most brilliant, if not the most brilliant, of all the engagements of this stupendous war.

The capture of Liaoyang eased Japan immensely, for the Yalu supply-lines could be more than half abandoned and the main armies provisioned entirely, as all armies must be in future, by rail from Newchwang and Dalny. Liaoyang has been a lesson which has sunk deep into all minds. Rail-power is now supreme and sharply contesting sea-power.

The battle of Liaoyang had, however, another object: it proved that this war was not going to be an affair of tens of thousands of men, but of many hundreds of thousands; and the September, 1904, Imperial Ordinances, making an immediate addition to the Japanese mobilised forces of a quarter of a million men, gave the first indication of the official recognition of this fact. Of Shaho it is hard to speak excepting from the purely Russian point of view; had the Russians not advanced in

October, the Japanese might have done so; but in any case the action would have only resulted in planting the colours of the Rising Sun a score of miles forward.

Meanwhile at Port Arthur, as soon as Shaho had been finished with, the Japanese showed that they were determined to bring a resistance to an end which was arresting all their plans, if such a thing was a human possibility. The first attacks which showed the strongest inclination to follow slavishly the lesson of the Chinese war—to burst in the immensely strong eastern section and drive the Russian defence west—were no longer adhered to. The Erhlung-shan and Sung-shu-shan forts in the northern sections were attacked with greater and greater vigour, and 203-Metre Hill to the north-west was marked down as absolutely necessary in order to direct the bombardment with greater effectiveness. The beginning of December found the Russian defence at length being eaten into, and from 203-Metre Hill, won at a cost of 15,000 men, the devastating fire of the Osaka howitzers began to pulverise the stubborn chain of forts. Finally the unexpected capitulation of the 1st January allowed Nogri's army of 130,000 men to be set free, and at length the Japanese main advance, delayed for half a year, could commence. It is time to turn to the Russian side.

If the Japanese made mistakes in calculations the Russians made still grosser ones, both on the field and at headquarters. The Russian imagina-

tion, which can imagine anything, resolutely refused to view the situation from the proper standpoint so as to understand the value of each Japanese move. When the Japanese appeared on the Yalu, Admiral Alexeieff's influence was still sufficient to make the battle of the Yalu a disgraceful affair. That the Japanese would have crossed the frontier river sooner or later is absolutely certain; but the Russians should have understood that to make it later was a prime necessity. The insignificant losses they inflicted on the Japanese in this "outpost affair" as they called it, and their disorderly flight past Fenghuang-cheng—a point which should have been held to the bitter end, offering the admirable facilities it does for a stubborn defence—is a curious commentary on Russian character; and the manner in which General Kuropatkin left the defenders of the Kiuchau isthmus in the lurch, instead of immediately despatching General Stackelberg's force so as to threaten General Oku's rear, is another commentary. Of course when it was too late Stackelberg did finally advance to fight the useless battle of Telissu, which could not have influenced Japanese plans in the slightest, even had it been partially successful; as Oku would have been reinforced had he failed temporarily and soon outflanked his opponent. Finally the handling of the Russian troops at the great Manchurian passes, which should have been contested with the greatest bitterness, deserves no less severe censure.

In spite of this at length General Kuropatkin had massed a force of 180,000 men at Liaoyang, and should have been capable of holding his ground at least some weeks against the Japanese onslaught. But frightened by the vision of Kuroki slipping round his extreme left he weakened every link in his chain to hold the Japanese right. Had he but delayed retiring for forty-eight hours, it is certain that the exhausted Japanese forces must have desisted from their efforts and awaited reinforcements.

But the greatest Russian mistake of the war, always excluding the surrender of Port Arthur as a thing which cannot be compared with anything else, was the battle of Shaho. The extraordinary rush of reinforcements which were swept down the railway in September to Kuropatkin—reinforcements which must have totalled nearly 100,000 men—again affected the Russian General's judgment. At last the moment had arrived, it seemed, when the Japanese should be given a taste of Russian bayonets; and, flinging his masses of men against his rock-like enemy, in a few days of this insane fighting he expended 60,000 men. With winter coming on there was nothing more to do.

It is difficult for anyone to discuss the surrender of Port Arthur on the 1st January, 1905, after a defence which was beginning to excite admiration, excepting in a most bitter way. The most careful calculations prove absolutely that Port Arthur could have held out from twelve to twenty weeks



longer. All that has been written about the futility of making a useless sacrifice of Russian lives has been penned by those who have not yet realised that the surrender of Port Arthur made the partial destruction of Kuropatkin's armies inevitable. Had Port Arthur held out but for ten weeks longer—until the middle of March—the Japanese advance of 450,000 men against Kuropatkin's strongly fortified Moukden positions could only have been partially successful. That after some weeks' fighting Kuropatkin might have been forced to retreat is possible, but he would have only retreated a step to Tiehling. Here a Russian army of half a million men would have been a terrible force for the Japanese to attempt to break, for the country in these regions was created for defence. By May, the reinforcements now joining Linevitch would have been with Kuropatkin and made him impregnable. But although the Russian Government offered inducements to the defenders of Port Arthur to keep up their defence those inducements were too small. The most lavish rewards should have been offered to everyone—since this is a method which appeals to Russians—to keep up the defence until the last fort was captured. Ten million pounds, if necessary, should have been spent in rushing steamers at the entrance laden with stores. If one steamer in ten had got in it would have been a cheap price to have paid ; for the holding of Port Arthur until the very last foot of ground had been lost might have irrevocably ruined the whole Japanese plan of campaign.

But there were no signs that the Russian Government realised fully that everything in southern Manchuria depended on Port Arthur.

The various attempts Kuropatkin made in the winter of 1904-1905 did nothing to enhance his reputation. The battles of Newchwang and Heikoutai were both foolish—the first because it was only accomplished by violating neutral territory and inviting the Japanese to do the same; the second because it cost 15,000 invaluable men who were needed for the Russian right.

The result of the battle of Moukden was inevitable, for 580,000 Japanese will always beat 388,000 Russians; and with the Moukden collapse the fate of southern Manchuria was definitely decided. It is useless wasting any words about the Russian fleet. If, as has been suggested by the greatest naval critic in the world, the Baltic fleet had left Russian waters in May and arrived off China in July, a very serious situation for the Japanese would have arisen and the entire campaign on land been stopped. But Russians cannot act quickly. Finally, the culminating folly of the Baltic fleet steaming straight for the Tsushima Straits, instead of going to the Gulf of Pechili and interrupting Japanese communications, cannot be excused. Coal and provisions could have been taken forcibly, if necessary, from China ports, and the seizing of the Miaotiao islands would have provided the necessary base. Even if such an enterprise had finally ended in disaster it would have much embarrassed Japan for the time being,

and placed Manchurian armies in an awkward position.

Summing up rapidly, it may be said that the great Japanese mistakes have been the loss of the first three months of the war, the advance from Korea, the delaying of the Port Arthur attack, and the miscalculation of the capacity of the Siberian railway. Of course there are many minor mistakes, such as the weak nature of the attempts made to destroy the railway, the ineffective torpedo-boat attacks, and the non-recognition of the necessity for laying railways behind each army. Against this, however, it may be said that the supplying of modern armies is a terrible task which has surprised everyone, and that no Japanese in the first instance imagined that the Russian fleet could be so mishandled. But this second point, the mishandling of the fleet, should have been put to the Japanese advantage immediately it was discovered and made speedier landing-operations possible.

On the Russian side everything excepting the Siberian railway has been a mistake—a terrible series of mistakes. From start to finish everything has gone wrong, everything has been confused and muddled, everything has miscarried. Yalu, Nanshan, Telissu, Motienling, Tashihchido, Liaoyang, Shaho, Port Arthur, Heikoutai, and Moukden—all are full of errors. Everywhere there are signs that Russian strength, which in German hands might dominate the whole world, is always foolishly dissipated. Russian generals refusing to co-operate

with one another; Russian generals refusing to obey orders; Russian generals deliberately upsetting plans, mark every stage of the war. It is no reflection on Japanese prowess to say that had German troops, instead of Russian troops, been in Manchuria, the slowness of the Japanese advance might have been responsible for very different results.

CHAPTER XXIX

FAR EASTERN OPINION ABOUT THE WAR

AN interesting series of questions, the answers to which might alone fill a volume, is contained in the heading which stands above. "What are the people saying," is a question which has been anxiously asked many times in history and is indeed, historical. To answer what they are saying and thinking all over that part of the Far East affected by the war—that is, Northern and Central China, Manchuria, Korea and Japan, is no mean task. Perhaps, however, travels lasting a number of months and covering several thousand miles by land and by sea, the knowledge of some Far Eastern languages and dialects and a few European ones, together with a somewhat intimate intercourse with men ranging from Ministers Plenipotentiary to humble coolies and carters, and comprising such different nationalities as Englishmen, Americans, Frenchmen, Germans, Italians, Russians, Japanese, Chinese, Manchurians, and Koreans, may be held to give some authority.

The man most affected by the war should

undoubtedly be the Chinaman. It is true a Japanese might object to this statement and point out that since it is Japan which has to be prepared to bleed to death, and may have to mortgage all of value in her domains up to the hilt to continue the war, her people's opinions should be first discussed. All in good time, however, so that each attitude may fit into the general scheme of things as accurately as possible. It is sometimes advisable to paint the background and middle distance first, so that the eloquent figures which occupy the front of the stage and press ever more forward should be thrown properly into relief.

Of course the Chinaman is not what anyone would reasonably expect him to be, and his opinion about the great war, expressed publicly and privately, is tinged with a curious Russian-like indifference which is somewhat remarkable. Chinese opinion may to-day be divided into three classes: Chinese newspaper opinion, Chinese official opinion, and the opinion of the Chinaman in the street—the last-named, although this fact has not been sufficiently noticed, being every whit the same factor it is in Europe, although the Chinaman has been only thinking imperially since his strange Boxer days. It is necessary to throw some light on these things.

The native press of China, which before the war with Japan a decade ago numbered six or seven publications, is to-day composed of no less than 160 daily, weekly, and monthly journals. Of these the majority are published at the treaty ports, whence

the native postal agencies—*min chū*—forward them with great rapidity by steamer and by courier over half the Empire. Many provincial capitals have also newspapers published within their walls, but it may be broadly said that the native press is a latter-day development which has been brought about by the presence of the foreigner and by the influence of the foreigner's thoughts and ideas, and that consequently the great treaty ports are still the safe strongholds from whence the newspaper "reform" warfare is mainly directed.

The circulation of the most popular of the Chinese daily publications is still trifling compared with European or American newspapers. But as each copy is read by a number of people, and indeed handed from man to man in many cases during the whole day for reasons of economy, it is safe to say that whilst in no case does any circulation exceed 16,000 copies a day, probably at least four or five persons read each copy and ponder over the new use of archaic characters which enterprising native editors are constantly making. It is interesting to note that in the case of the *Peking Gazette*—the oldest publication in the world, but rather a Court and Government circular than a newspaper—copies are actually hired out for so many hours a day. It is certain that the conclusion of the great war and the extension of the railway system in China will see circulations quadruple and quintuple, as was the case in Japan after the 1894-1895 conflict.

These 160 Chinese publications probably print off

half a million to a million copies, and therefore it is reasonable to suppose that from two to four million Chinese read more or less regularly a daily, weekly, or monthly journal, and are beginning to understand questions about which they knew nothing as recently as ten years ago. This is a very important result to arrive at. If we add the numbers who listen to opinions which have been culled from newspapers, the total number of persons influenced cannot fall far short of six or seven millions.

Of these native journals the large majority are owned and operated by Chinese independent of all foreign help. But in no case can it be said that they are not tinged with the views of the foreigner, to whose translated books and publications they indeed look for explanations on every question of the day. It may interest those who have holdings in South Africans to learn that the question of Chinese labour for the Rand has been academically discussed at great length by many newspapers without influencing in the slightest the coolie concerned, who wants high wages, and as yet cares little for opinions.

This last sentence may be taken as descriptive of the influence of the native press of China to-day. It is feeling its way, "finding itself," like Kipling's new ship, and gradually growing up to the time when it will be a powerful influence capable of swaying the nation. For the time being, it is a halting teacher with a mass of half-assimilated knowledge which it attempts to impart to its readers with only partial success. But both papers and public, however, with

that sound Chinese common-sense which has been so much quickened by the daily money-struggle for ages past, are learning very rapidly, and it is highly instructive and interesting to note how invariably the right nail is struck on the head in the condensed leading articles of the day, and how the casual reader is able to note each point. One may even suppose that the day cannot be far off when coolie correspondents will be invited to discourse on "the superintendent as I have known him," to enlighten those persons still waiting in villages to hear a true opinion as to the pleasures of deep-level mining before they go to the great reef. But this is wandering from the point.

The native press has been from the beginning of the great war distinctly pro-Japanese. From the day of the announcement of the Anglo-Japanese Alliance, Chinese editors realised that a crisis was rapidly approaching, and that the only thing which would save Manchuria would be a bloody war. It is undoubtedly a fact that the uncompromising attitude of the native press towards Russia, and the constant reiteration in its columns that the cradle of the reigning dynasty stood in imminent peril of being wrested from China by the Muscovite power, influenced Chinese officialdom in the highest degree, and prepared the ground for the Japanese in a manner which had great value.

But although I have said that the large majority of the native journals are owned and operated by Chinese, it is impossible not to acknowledge that

they are influenced both directly and indirectly to a very large extent by the Japanese. This is easily explained when it is stated that the book-trade—that is, the book-trade of the *Hsin Hsueh*, or the New Learning—is greatly controlled by Japanese-owned publishing houses. In Shanghai there is an immense establishment of this description, which turns out books by the thousand, dealing with politics, history, science, and general literature, and it is but natural that in such works a leaning towards Japan should always be noticeable.

Such books serve as reference books, and Chinese scholars, who are employed to write in the papers, being apt to draw their interpretation of events from such works, it follows that they look at many matters through Japanese spectacles. And then the young men, who already form a class apart in China, called “the returned students” are pro-Japanese scholars, who have assimilated a superficial knowledge at the Tokyo schools, and being in a transition stage, with one foot on the rock of Chinese classics, and the other on the bobbing raft of the dangerous New Learning, they must necessarily halt at the treaty ports, and attempt to make for themselves positions which are as yet denied them in the interior. Such men drift into journalism. And, again, the Japanese themselves, placing a greater value on the Chinese press than it as yet really possesses, have boldly bought a large number of publications and openly subsidised many others, thus adding materially to the support they already commanded.

In these various ways the Japanese have succeeded in enlisting the sympathy of at least 50 per cent. of the vernacular press in China, and are attempting to extend their influence still further. Finally, it must be noted that one of the most remarkable developments brought about by the war is the inauguration of the excellent service of telegraphic news which the principal Chinese newspapers now possess. By arrangement with Tokyo and Osaka publications, "drop messages" are published daily, coming ostensibly from every part of the world, but in reality being simply news supplied to Japan and re-telegraphed to China. All such communications are coloured with Japanese tints. Much news, apart from this, however, has reached Chinese newspaper offices before it has become generally known in the English newspapers of the Far East.

For, not content with this Japanese help and support, some of the more enterprising native journals have despatched Chinese war correspondents to the seat of hostilities, or as near as they care to go, whose letters have furnished many little sidelights on the war. It was my good fortune to meet a youthful native gentleman (who evidently considered himself a naval correspondent, since he had *Brassey's Annual* under his arm) surveying through a Zeiss binocular the *Rastoropny* when she dashed into Chefoo on the 15th November bearing fateful news from Port Arthur. This youth discoursed to me at some length on the nature of China's limited neutrality arising out of her peculiar

position *vis-à-vis* of both belligerents, and he used a number of newly-coined Chinese newspaper terms, which expressed to a nicety such difficult things to translate as the periscope of a submarine, telescopic sights, danger-zones, and bursting charges. It was only when I asked him what value he placed on the Captain Percy Scott "dotter" as an aid to big-gun practice and whether he understood the difference between absolute and conditional contraband that he confessed himself embarrassed. From this it will be understood that the Chinese press has vast possibilities, and that when each provincial town and every important burg has its newspapers, when a press association is formed with affiliations everywhere in Chinese dominions, and when 50,000,000 out of the 430,000,000 of China read some publication, a new force will have arisen whose power will be very extraordinary. In fifteen years' time China will have 15,000 miles of railways; in twenty years she will have just as certainly 2,000 journals, for this letter-loving people, which spends its money so freely, will one day encourage, to an extent which will astound the more thrifty Japanese, every kind of journalism and writings.

Whilst the Japanese have secured such a powerful hold on this growing source of public opinion, it must not be supposed that others ignore its possibilities. What may be called the Continental Block in the Far East (on account of the solidarity with which the Continent would oppose the moral and material advances of Japan and the legitimate

aspirations of the peoples of the Far East) subsidises directly or controls indirectly important native newspapers in various parts of China. Of the three Powers which formed the anti-Japanese triplicate of 1895, Germany is to-day by far the most active and baneful in its influence, and attempts in many ways to saturate the impressionable Chinese press with startling theories concerning Japan's ultimate object in declaring war ; indeed, causing it to be plainly hinted that the total subjugation of China by the island Power is now merely a matter of time unless steps are taken by the other Powers to prevent such a disaster. French influence can also be discerned in the vernacular press, but it is an influence which is less uncompromising than the German. Both these nationalities, however, form but a feeble opposition to the majority.

Curiously enough, it is only since the great war began that Russia has bestowed much attention on the Far Eastern publications, both English and native ; but, by making liberal disbursements, her agents have now succeeded in securing the adhesion of organs in whose columns the Russian point of view is very often dealt with in a manner which appeals to the Chinaman.

These three Powers, therefore, on whom falls the onus of combating Anglo-Japanese influence, and of expressing the views of the solid pro-Russian Continental Block, make it impossible to say that Chinese opinion as it finds itself expressed in the daily, weekly, and monthly journals, is in any way

entirely pro-Japanese. Japan has undoubtedly the first place in the Chinese press, but it is noticeable that some of the best organs are the property of Englishmen, and that in such publications all questions are discussed in a spirit of independence and fairness.

The great events of the war, such as the battles of the Yalu, Nanshan, Telissu, Liaoyang, Shaho, and Moukden, the siege of Port Arthur, and the destruction of the Russian Pacific fleet, have been dealt with somewhat curiously by the native press. Whereas the telegraphic news supplied by Japan or Reuter (the pronouncements of the latter are called phonetically *Lo-to* in the vernacular) has invariably extolled Japanese victories, and laid much strength on the absolute invincibility of ever-victorious armies, the native editorial comments have mainly concerned themselves with the probable effects of such victories on China herself. The settlement of the Manchurian question is a subject which never palls; the fate of Port Arthur and the famous "leased territory" is always being inquired after; and the pertinent question is constantly being asked as to whether China will not have to contribute towards the cost of the Japanese campaign in order to secure the complete rendition of Manchuria after the war is ended and over.

It will thus be realised—a point, by the way, which is not sufficiently thrown into relief, and perhaps not even understood, by those who bewail the manner in which China is coming, or must come,

under Japanese influence—that the Chinese press, although it has been taught much by Japan, has a curious independence which will tend to increase rather than decrease as it becomes stronger and passes from its present childhood to adolescence. At heart even those publications which are pro-Japanese enough on the surface are after all only pro-Chinese and nothing else, and a Chinese boycott would soon be able to do what it pleased in the way of suppressing those organs which refused to preach the doctrine of China for the Chinese. Much will therefore depend on Japan's future policy as to the amount of support which she will be able to enlist in China. There has been a remarkable growth of the nationalist sentiment among all classes in China since the Boxer outbreak, and every year this movement will gain in strength until it becomes a force which no one will dare to oppose.

Concerning Chinese official opinion, it is far more difficult to pronounce, even in the vague manner in which the tendencies of the native press have been tentatively outlined. For in China, officialdom, with a caution born of ages of constantly-recurring difficulties and government by sheer equipoise, is silent and non-committal in matters of real moment to an extent which make Japanese discretion and secretiveness—themes much written on by the unsuccessful war correspondents—poor pale plants by comparison. And then again, no Chinese official will venture on having views which are out of unison with those of his immediate superiors; whilst his

superiors, the great territorial officials, are pleased to take their cue from the high metropolitan officials, who in turn are guided almost entirely by those in the immediate *entourage* of the Throne. Thus it is what the Empress Dowager, who is the baneful strong woman of China, thinks and says, which slowly but methodically percolates from the Palace to the great Peking Boards, and from these to the provincial capitals and prefectures, and which then becomes the *mot d'ordre* throughout the eighteen provinces. It is true, however, that with each hundred miles away from the capital such Peking-inspired opinions decrease in force until ultimately in the Southern provinces (as a French sinologue cynically remarked to me), "On s'en fiche pas mal, de cette fameuse Impératrice douairière!"

What, then, are the views of the Empress Dowager and her Manchu Court? They are very mixed and confused at the present moment. Originally strongly pro-Russian, recent events, such as the Russian behaviour in Manchuria before the war and the startling Japanese successes, have tended to modify them considerably, and to spread a new pro-Japanese layer of ideas on top of the old pro-Russian ones. Anxious only for her own safety and for the solution of the many difficulties which may be called personal ones which now beset her path, the old Empress Dowager inclines this way and that, and finds but little real consolation in either Russian defeats or Japanese victories. One danger removed can only mean the substitution of another whilst China is so

weak—this everyone understands—and therefore, no matter what happens, the Court will be passing miserable for a number of years to come.

The Empress Dowager's chief adviser is still the notorious chief eunuch Li Lien Ying, a reactionary of the most pronounced type, of whom his enemies have always said that his emasculation before his entry into the Palace many years ago was a false one, and possibly to this he owes his secret influence. Be this as it may, the chief eunuch, called derisively by native lampooners *P'i Hsiao-Li*, or "Cobbler's-wax Li," on account of his being a shoemaker's son, is to-day the power behind the Throne. It is only necessary to remark that the greatest intimacy always existed in the past between Monsieur Pokotilow, the former brilliant chief of the Russian Russo-Chinese Bank in Peking, and the chief eunuch, and that the native papers once chronicled the fact before the war that Monsieur Pokotilow and the eunuch became "blood brothers." This curious relationship is established in China between warm friends by a touching ceremony in which wine-drinking and kowtowing to ancestral tablets play the chief part. Once you are a "blood brother" to another man, you may demand of him the most exceptional services in full confidence that they will be faithfully executed.

As a counter-influence to the chief eunuch and the large and influential party standing behind his back, the native press plays a large part. The Empress Dowager, ever since the notorious *Su-pao* case, has a wholesome dread of the native press, and

the license it permits itself in the shelter of the treaty ports fills her with anger and fear. In the *Su-pao* affair, what stung the Empress Dowager to fury was not the journal's call on all true patriots to rise and drive the Manchus from the Throne, but the supreme taunt that the Manchus had only been obscure cattle-thieves on the border of a Ming province in Manchuria, and that by raiding and adopting Boer tactics they had finally raised themselves to their present proud status which was undeserved. Even in China the truth can be more unpleasant and libellous than a lie, and the Manchu family-cupboard has many skeletons.

In spite of her detestation for this latter-day development, the Empress Dowager, who curiously resembles another famous Empress in her masterful character, and the manner in which she indulges herself, is pleased to read quite regularly a number of Chinese papers, principally those published in Shanghai; and it is to be believed that by now she thoroughly realises the nature of the Japanese victories. But she is an exceptionally shrewd and worldly-wise lady, with the gift of eternal youth; and with forty years of extraordinary experiences behind her she is still entirely—on the fence! She realises what Japanese bravery and resolution have done, but she does not yet see what the end is going to be. With Napoleonic instinct she allows her pro-Japanese inclinations to go as far as the limits of the Japanese advance, whilst her Russian proclivities are kept in the

background, massed with the armies of "General Rückwärts."

Although the great mass of Chinese officialdom may be said to be consequently in the same position—to wit, on that uncomfortable seat, the fence—there are a great number who incline distinctly towards Japan, and indeed would have everyone believe that they are most ardent Japophils. Na-tung, the President of the *Wai Wu Pu*, the Chinese Foreign Office, is a case in point. He is mainly pro-Japanese, because he was strongly suspected of being an ardent patriot in 1900, and, being a clever man, he wishes everyone to forget all about that. He also went to Japan in 1903 as the chief adviser of Prince Tsai Chen, son of Venerable Prince Ching, and there discovered the existence of the gold standard. This discovery has ever since filled him with an ardent delight for things Japanese, because the Japanese have proved that they can disentangle a far worse financial position than China has ever possessed.

There is also Chang-Chih-Tung, once beloved of the British Foreign Office, but now fallen from grace, who would practise the belief that Japanese ways are the cheapest, and therefore the most suitable for the chronically debt-ridden Wuchang Viceroyalty. The pro-Japanese party also say that the powerful Tientsien Viceroy, Yuan-Shih-Kai, is an adherent of theirs—a statement which is only partially true, since his Tientsien Excellency belongs not only to the Japanese party, but also to the

Russian party, the Chinese party, and to the Empress Dowager's own pet party—and last but not most important is the party which strictly consists of Yuan-Shih-Kai, *solus*, and limited.

Apart from these men of prime importance, there are a host of others whom it would be wearisome even to mention by name, since no one has ever heard of them out of China—all of whom incline towards the Japanese, probably more because they see in Japan a possible solution for many troubles than because they love the Japanese. It is simply an exemplification of the aphorism that nothing succeeds like success—an aphorism which is truer in the Far East than in the Far West. Blood may be thicker than water, but interests are more powerful than blood, and in the East everyone is generally for himself and the devil takes good care of the hindmost. Finally, it must be noted that there are so many Japanese or Japanese-taught schoolmasters now in the provinces that Chinese official opinion is being influenced by the growing generation of Chinese students in spite of the nod from the Throne. If, however, the Throne were to arrive at an anti-Japanese decision, there is not a single Chinese official who would dare to think officially otherwise than was decreed. The power of Peking is still very strong.

While, therefore, the Russians maintain something of their old influence behind the scenes at Peking, and have certain avaricious men of the Sheng Hsuan Huai type still believing in them, because

they are such good pay-masters, it may be said of the official classes, as has been said of the native press, that Japan may claim fifty per cent. as being favourably disposed towards her, always with the reservation, however, that China and Chinese interests are easily first, and Japan and the Japanese a bad second. This is, after all, as it should be.

The delicate nature of the task which awaits Japanese diplomatists and men of peace after Japanese arms have been laid down, and samurai-warriors are seeking a well-earned repose, must now be apparent. An inherent Chinese suspicion, likely to grow if Russia is thoroughly vanquished, will have to be met and finally smoothed away. The Chinaman is very worldly-wise from the moment he is born, and knows that in this world you do everything for something, and that once personal danger is over personal gain becomes the question of the hour.

Finally, regarding the Chinaman in the street, what of him? It may be generally said that he cares very little for anything excepting his daily rice, since he holds the comfortable creed that all will be the same in a hundred years. In Central China, and from here up to the north, the only comment made is that the Russians are said to be very *huai*, or corrupt, and that the Japanese have caught them asleep, and have shown themselves good fighters. Occasionally, it is true, you meet a man who would spout to you the opinions of that section of the native press which he patronises, but

such a person is a rare bird, and is rather wearisome.

Once, however, in the metropolitan province of Chihli or along the Pechili or Shantung coastline the case is somewhat different. Here the Chinaman has been affected by the war to a greater or lesser extent, and, therefore, cannot afford to be indifferent. Briefly, he takes sides. Some are pro-Japanese, an almost equal number are pro-Russian, and all have opinions about the struggle. From Tienstien to the north of Shanhaikwan everyone who has any brains has been making much money by the war, and as, until the battle of Moukden, it was the Russian commissariat which was paying—and paying very liberally, be it said—for most things, all such Chinese thought the Russians not so bad as they had been painted. Similarly the whole of the Shantung coast was conspiring to smuggle in provisions to beleaguered Port Arthur, and consequently the whole of the Shantung coast was inclined to be pro-Russian, and set a higher value on rouble than on yen notes. And since the subject of money has been mentioned, it is only right to say that the Japanese have done themselves some harm by the use of their war-notes, for these notes have been the cause of a good deal of trouble. Nominally convertible into silver at sight, the military chests accompanying the Japanese armies have never been able to redeem more than twenty to thirty per cent. of the notes presented, and thus Japanese war-notes are in serious danger of

becoming in Chinese eyes that despised thing—inconvertible paper-money. Steps are being taken to amend this condition of affairs.

The Chinaman, however, always suspicious in money matters, has talked a great deal about this, and the native banks, setting the example, have been placing a heavier and heavier discount on Japanese war-paper. In some places this paper is only received at fifteen per cent. discount ; in others at twenty per cent. ; and in every case when it has become known that war-notes would be tendered in payment for army purposes the shrewd Chinaman has made up his prices with the discount counted in, and thrown all chances of a loss from his shoulders.

In the Chihli-Shantung belt, which has been affected by the war, the Chinaman may, therefore, be said to be a man who is more anxious about the kind of money he is going to receive than about the progress of the great struggle, or the right of the Japanese to receive his support. Not that he cannot discuss the whole question, for he can, and does constantly ; but it is an academic discussion, unless his pocket is affected, and then he is quite willing to reverse any opinions he may have been expressing glibly enough in order to pocket a profit. An essentially hard-headed fellow is John Chinaman, and those who have supposed that the cosmopolitan financiers of the Rand have brought tens of thousands of his kind to dig up gold in virtual slavery are very foolish persons. The man who can make a slave of the Chinaman has yet to be born.

A yet more interesting point in connection with native opinion about the war is the enormous educating influence of wars on Far Eastern peoples. Whereas twenty years ago the Northern Chinaman was the most ignorant concerning the outer world in the whole of the eighteen provinces, to-day he is by far the best informed. The Cantonese, who taught all China half a century ago the first lessons about the foreigner, are now at a discount. Fifteen or twenty years ago they were still spoken of by the natives as the clever Cantonese. Then, after the Japanese war they began to lose ground, and since the Boxer outbreak and the invasion of North China, it is noticeable that all Northern Chinese understand and appreciate what Europe stands for better than any other part of China. Finally the Russo-Japanese war is completing this education, and when the mighty struggle comes to an end, Chihli, Shantung, and the neighbouring provinces will be far ahead of Central and Southern China in general knowledge.

Southern Manchuria feels much the same as the provinces of Chihli and Shantung. The Manchurian, who is nothing but the ordinary Chinaman, knows, of course, that the Japanese is driving the Russian out of Manchuria for his ultimate benefit ; but the slowness of the process has already somewhat impressed him, and he is perforce a little like the Vicar of Bray. So many Chinese live from hand to mouth that when it is a question of many mouths the first consideration for the mass of

population is to make as much money as circumstances will permit, and to hang out a Russian or a Japanese flag, as occasion demands. If you lead any Chinaman aside in Manchuria, and by quieting his suspicions can get him to answer you frankly and honestly, he will certainly tell you that the Japanese are, of course, fighting for his own good, and that it will be better for him really when the Russian is gone. But he cannot hide from himself, in spite of this statement, that since the beginning of the war the Russians have been good customers, and that Kuropatkin's iron hand has stopped the looting and raping which went on so continually under the loose Alexeieff *régime* and which made people and officials shake with impotent rage.

A little examination also shows one that it would be well if the Japanese military authorities were not so severe, and refrained from inflicting the heavy punishments, except as a last resource. A great deal of ill-feeling has been created in some places by unnecessary severity when natives have been suspected of pro-Russian sentiments, and the quite illogical suspicion which attaches to Chinese who have hoarded rouble-notes they have earned from the Russians is stupid, and should be made a thing of the past.

In Central and Northern Manchuria, where natives have been selling their produce in enormous quantities to the Russian Commissariat and to the great Harbin mills and establishments, the Japanese

will find a kind of population which may occasion them a great deal of trouble. Without being pro-Russian, this population has certainly been making much money from the supply of foodstuffs, and if a guerilla warfare is raging all along the vast Sungar regions, as it is not improbable during all 1905 and 1906, the people will show their opinions in many ways. Any population disturbed and rendered homeless is bound to show much resentment, and the slowness of the Japanese advance has made many suppose their coming is, after all, a kind of myth, and that it is best to put up with the Russians as best they can until the war is over. It will be understood, therefore, that the common people cannot think beyond cash.

Turning from Chinese opinion to that of the European in China and other parts of the Northern Far East, the most remarkable thing is the solidarity of the Continent of Europe behind Russia, in spite of all the pronouncements in the European press, which would have people believe that Russia is practically isolated and has no friends. It can be stated quite honestly that, except in two or three noticeable cases, every Frenchman, Belgian, German, Austrian, Italian, Dutchman, Swiss, Spaniard, and Portuguese in the Far East is absolutely on the side of Russia, and that all hold the false creed that this is the culminating war between white Europe and yellow Asia. It will be in vain for apologists to point to the press all over the Continent, and to say that such a widespread

anti-Japanese feeling cannot exist. I deal in facts, and not with theories—comfortable, but false; and the grand fact which stands out is this: that in Continental eyes England by an adroit alliance has saved herself from being overshadowed in the Far East by the rest of the world, and that by so doing she has escaped sinking slowly but irresistibly all the world over, as many Continental nations had hoped was really the case after what the Boer war showed.

No one living in England can ever hope to understand quite the absolute truth of what is clear to those who live on the outskirts of empire and beyond—that Europe resents and will continue to resent, just as a schoolboy resents the authority of his schoolmaster, the British supremacy which reposes on the command of the sea; envies, as a poorer man always envies, the riches of the British dominions beyond the sea; and hates, for many reasons too long to chronicle, the much advertised British virtue and superiority. In a word, Europe is jealous of England and has been jealous for many long years, and although British support and British *ententes*, cordial and otherwise, may be extremely useful, nay sometimes absolutely necessary in order to guarantee certain things and to overbalance temporarily the swaying scales of European semi-domestic politics, such *ententes* must, and will always have, the most serious limitations, and will tend to be suddenly upset by grand affairs brought about by the applica-

tion of the principles of so-called world-policies elsewhere.

And besides, the natural kind of friendship which seems to exist among Continental peoples once they are outside Europe is easily explicable in another way. Everywhere it is England which stands in the way of prosecution of many programmes. It is true that if England were eliminated, an infinitely worse policeman would sooner or later be substituted, and this even Anglophobes are prepared to admit. But in spite of the fact that the truth of this is admitted, the first thing it is necessary to do in order to accomplish anything is to weaken or nullify England, and only then make the necessary arrangements for the new state of affairs. Indeed it has long been understood by clever diplomatists in the Far East that the only convenient way for everybody to prosecute their programmes is by doing so under the cover of a nominally still dictatorial but in reality much-weakened powerless England. Ever since the Japanese war with China this policy has been scrupulously followed. France may, through her great men, still talk significantly of her lost provinces, but nevertheless her policy has been at great pains to show that in Asia Germany is welcomed rather as an ally than as an enemy. Italians may think that the Far East is regarded with supreme indifference by their Government, and indeed such may actually be the case, but once in China a few weeks' residence is sufficient to convince them there

is some inconsistency somewhere. Italian Consuls and other men of substance are just as bitterly disappointed at the showing Russia has made as any Continentals. Germany and Russia are so openly concerned in the disruption of China that to refer to them would be superfluous. Even minor nationalities such as the Dutch and the Belgians become profoundly pro-Russian and openly anti-Japanese the moment they arrive in the Far East ; and the same is true of the Austrians who have never wished, like the Italians, for a San-Men Bay ; and of the Spaniards, who have no more *raison d'être* in the East since the Americans took away the Philippines ; and even of the Swiss, who in Europe wish to subscribe to Japanese loans.

The Anglo-Japanese Alliance is, therefore, considered as a personal insult to every one of these peoples, and never can any master-instrument have provoked so much rude comment, so much scolding criticism, so much bilious hatred, as has this one. For, though the instinct which comes of living with political situations of every colour and shade thick on all sides—political situations in embryo which have not yet hatched out, and others that are full-fledged ones—everyone understood immediately that there was danger in the air when the Lansdowne-Hayashi instrument was signed, and that a treaty of peace only remains a treaty of peace so long as others do not attempt to set its most important provisions at naught. It was felt that all the pleasant little scheming of pettifogging diplomats

at the distraught capitals of China and Korea—all the years of toiling since the Chino-Japanese war which resulted in the railway concessions, the mining concessions, the leasing of ports and territories, European garrisons for the protection of interests, the rights of pre-emption supposed to exist here and there, etc. *ad infinitum*—all these things stood in serious danger of being cruelly swept away, and that the forces of disintegration, so long at work on China, would be not only arrested but possibly driven out of the country. Such was the prospect which the unofficial representatives of the Colonial “policies” of Continental Europe saw staring them in the face with the signature of the Anglo-Japanese Alliance; and the sudden outbreak of the Russo-Japanese war almost exactly two years afterwards proved plainly to them that the perfidy of Albion was still as dangerous as in ages past. This is no overstatement, but rather the plainest possible statement of the actual manner in which all white men in the Far East except British subjects and the citizens of the Great Republic look upon the Anglo-Japanese Alliance.

Under these circumstances it was not strange that from Shanghai to Hankow, from Hankow overland to Peking, from Tientsien to Hsin-Ming-tun in Manchuria, from Taku *via* Chefoo to German Kiaochow—in all between two and three thousand miles on Chinese waters or on Chinese soil—there was nothing to be heard from the lips of every Continental but the most violent attacks on Japan

and the traitorous British policy ; nothing but wailing and gnashing of teeth at Japanese successes ; nothing but terrible hints of the still more terrible fate which would finally overtake, first Japan for her sublime insolence and effrontery, and then England for her treachery to Europe. Nor were these mere heated opinions spoken in spontaneous outbursts, but rather calm deliberate opinions uttered only after much fencing and preliminary talk. The Englishman has got on with all Continentals very well in the Far East in the past, and is still on friendly social terms with all ; but ever since the great war began in the matter of politics a growing breach is discernible—a breach which may become a chasm in the next few years and lead to much trouble if the war is not fought to a clean satisfactory finish.

There is no doubt that it is Germany in the Far East which feels far more bitter at the results of the war than any other nationality. Indeed, it would seem as if the Germans both of the Kiaochow colony and the treaty ports feel the Russian collapse far more acutely than the Russians in the Far East themselves. These latter, with the wonderful *sang froid* and the consciousness which every man of them has of the immense physical strength and health of the Russian nation (things which, in spite of all present corruption and misrule, must be astounding factors in some future time) take the series of defeats which have marked the progress of war, and the consequent loss of prestige everywhere

in the Far East with a phlegm and a sturdy feigned unconcern which are somewhat admirable and awaken sympathy. Indeed the Russians must be acclaimed greater men in defeat than in victory. It is easy to understand the Bismarckian fear of Russia. In a hundred years it will be a terrible nation.

The French, unlike the Germans, are half inclined to believe that a partial Russian retreat may not prove an unmixed evil in the end, although such an opinion is not openly expressed. But as France already possesses her Far Eastern Empire in Indo-China and merely desires to share in the scramble for China if she can obtain a big slice of the Southern provinces peacefully, she is not inclined to risk too much for Russia in spite of her Alliance. Indeed it may be said that there is an actual majority of Frenchmen in the Far East who desire peace at almost any price—believing as they do that Russia can never drive Japan from places which the latter has already wrested from the Northern Power, and that prolonged attempts to accomplish the impossible may so impoverish and cripple Russia as to render the Dual Alliance of little value in Europe. And in this light it is easy to understand why Germany will secretly go to almost any lengths to help Russia. For by so doing she can accomplish a number of things. She may force France to lend Russia funds for the prosecution of the war under pains of weakening or even nullifying the Dual Alliance; she saddles Russia with an ever-increasing

load of debt which must militate against fresh war-like operations being undertaken in the near future ; and, finally, she hopes to involve Russia so deeply in the Far East that to pull back will soon be impossible. And above all, the possibility still exists that Russia may wear Japan down during the next two or three years, thus permitting the resumption of the German expansionist programme which is in serious danger at the present moment of being shelved indefinitely.

All these things are being daily discussed by all good Germans in China and Japan—and the methodical if slow Japanese advance calls forth many curses. There is something peculiarly despicable about the *rôle* which Germany's unfortunate geographical position forces on her—this constant lurking in the background like some evil genius—this constant protesting of friendship and disinterestedness to everyone—this constant pronouncing on everything—always so busy and so involved, and always likely to be without colonies worth the investment of a thousand marks !

Behind the French and the Germans the minor nationalities cluster, and take shelter and hope against hope. They are all ardent Russophiles every one of them ; and whether dealing in politics or cottons, metals or mines, shipping or shirtings, they are filled with a hatred for the devilish little Japanese who rush so silently in small, never-ending group formations on to the stolid Russians, until in one day, two days or ten days, at a cost of one

thousand, two thousand, or fifty thousand men, inevitably and inexorably they fling their enemies back nearer and nearer the Amur.

Newspapers, too, represent this Continental Block of opinion in the Far East: three or four German papers, two or three French, a dozen Chinese sheets, and half a dozen subsidised English newspapers scattered along the long coast-line. The Chinese and English newspapers are mainly subsidised by the Russians or owned by groups of men to whom the name of Japan is anathema; but in Seoul a small English newspaper represents the strong anti-Japanese feeling still existing at the Korean Court. But the war of newspapers and words has been much overdone in the Far East since the beginning of hostilities, and people are almost universally a little tired of misstatements and miscalculations. The Japanese press campaign has been so extensive everywhere in China that everything has become oversaturated with wise sayings and obvious statements. This was particularly the case whilst Port Arthur held out. Many people are beginning to resent being told by telegraph that armies are not made in a day, and of the coming revolution in Russia which is to end the war. Great efforts are made incessantly by both belligerents to enlist public sentiment in the Far East by the dissemination of news calculated to throw odium on the enemy; and whilst at the beginning of the war some sense was shown, the irrelevant nature of accusations now being levelled is becoming tiresome.

Too much importance has been attached to Far Eastern opinion.

Finally, it is Japan herself who merits one word—or rather words without end were there but time. For never has any nation presented such a solid front of public opinion as Japan of to-day. Not one dissentient voice can be heard, not one murmur, not one shiver, when the country is being called on to bear a strain which almost escapes notice because it is so silently borne. When Englishmen remember that in addition to the ordinary budget a war-budget amounting to at least three times the ordinary normal expenditure of the country may have to be faced for two or three years to come, they will realise what it means financially to a nation with but little accumulated wealth. How long, for instance, would any British Government dare to demand £600,000,000 sterling a year—which is exactly what the Japanese Government demands, in comparative figures, for the prosecution of the war; and how long would England stand the drain without whimpering, even though the whole world were encompassing her ruin? Russia is at present the whole world to Japan—at least, Japan's statesmen have taught the people to regard the great Northern Power as such—but nothing will make the Japanese whimper.

When the great war was beginning at Liaoyang, on the Shaho and at Port Arthur—for this was only a preliminary fencing—and when Japanese men and women at home realised that their soldiery would

have to fall by the hundred thousand before there could be any possibility of Russian submission to facts, there was a little disappointment, that was all. Then as the slaughter-lists began to be known every Japanese man, woman and child remembered who he was, and why Providence had borne him into this vale of tears; and each one, drawing himself up proudly yet humbly, and breathing very deeply, crushed every feeling except one—the unflinching resolve to go through to the bitter end—and became the Spartan nation which is exciting the admiration of the world. Few people will ever realise what this war has been to Japan; how much suffering and poverty have had to be faced and entirely concealed, so that no one may suspect what curtailing of everything excepting the bare necessities of life has been necessary. And in addition to this it has now been realised that if Russia, too, is resolved to fight to the bitter end, a half million Japanese may be left dead on the Manchurian hills and plains, and a million or two more carried home maimed and crippled. Every Japanese knows by now that the fighting of the last months in Central and Northern Manchuria will far eclipse anything seen in Southern Manchuria, and that men will fall by the hundred thousand where they merely fell before by scores and hundreds. Almost every family has fathers, brothers or sons in Manchuria, but every one of these families and the entire public opinion of Japan demand the sacrifice of all the myriads of soldiery who will be on the banks of the

Sungari and beyond if necessary. There is no stop-the-war party in Japan, and there will never be one; but it is not improbable that by 1907 there will be a starvation-party growing to such dimensions that even a Japanese Government will find it very difficult to continue the war. Already Count Okuma, a veteran statesman, has been sounding warning notes, and valiantly expressing opinions which it must be distasteful for him to have to express as a Japanese; but although the Government may pay some attention to these plain hints the people never will. How long the struggle will continue rests now entirely with Russia.

Such is the complex state of Far Eastern opinion about the great war to-day. The growing Chinese press strongly inclines towards the Japanese; the Continental Block will remain solid behind Russia until the latter crashes to the ground; the Koreans are still in the main mulishly opposed to men whom they must one day recognise as benefactors; the Chinaman is half-indifferent, and only in the highest official circles somewhat concerned; whilst, overshadowing everything else mightily, the Anglo-Japanese Alliance with its composing factors in the Far East heaves forward on its onward course, destined to exert a world-influence that men are but beginning to realise.



CHAPTER XXX

RUSSO-CHINESE AND CHINO-JAPANESE RELATIONS

ONE of the greatest questions of the day is undoubtedly what the real Chinese attitude will be after the war—not the attitude of the Chinese plebs, but the real attitude of the Chinese Government and the Manchu Court, who, together with the *litterati* and the big men possessing vested interests all the Empire over, go to make up a curious combination of nicely-balanced forces which finally decide the national attitude.

What will this national attitude be after the great Far Eastern war? To what extent will each belligerent be able to count on warm friends and bitter enemies in China when the final settlement has been made? Will the forces which are of value in China be thrown on the side of Japan or of Russia later on? To answer such pregnant questions some retrospection must be indulged in, so that the reader may understand the exact process through which all the dominant cliques in China have gone through. A commencement must be

made by taking the curious question of historic Russo-Chinese relations in the long ago.

When the Russians pushed down to the Amur regions in the first decades of the seventeenth century, the Manchus were entering Peking. In 1644 the first Manchu was crowned Emperor of China in Peking. In 1651 the first collision occurred along the banks of the Amur between marauding Cossacks and the newly-established Manchu power. Fifty Manchu horsemen, engaged in collecting tribute from the nomad tribes of Heilungchiang, came across Khabarof, the leader of the Cossack adventurers, who were spying out a mysterious land. A short struggle ensued, and the Manchus, after the first discharge of unaccustomed fire-arms, ignominiously fled inland. It was these men who conveyed the first news of the Russian advance to the Manchu rulers still engaged in subduing Central and Southern China.

In 1654, a force of 3,000 Manchus, despatched to investigate the new development along the Amur, collided with a big party of Cossack adventurers, and an indecisive struggle resulted. In 1655 fresh conflicts arose between ever-growing Manchu frontier forces and the marauders, and in 1658 several thousand Manchus finally surprised 500 Cossacks on the Amur river, and killed or scattered them all.

After this, for over ten years little was seen or heard of the newcomers, and Peking, with its customary short memory, almost forgot the whole

series of incidents. Then in 1669 the invasion began anew. A Polish renegade founded the historical town of Albazin on the upper Amur, and desperate Cossacks flocked to his banner. The Manchu Government, now seriously alarmed, formed the territory adjoining the upper Amur into the province of Heilungchiang in 1671, and appointed a Governor thereto. For ten years this Governor's frontier forces methodically destroyed all evidence of Russian settlements on the lower Amur, but Albazin, and the neighbouring Russian villages, were for the time being left alone.

In the 'eighties of the same century, orders came from Peking to throw the invaders back at all costs. Early in 1685 the Manchus advanced on Albazin, and after a short siege the Russians were permitted to withdraw to the border town of Nerchinsk, on the distinct understanding that the Amur was never to be approached again. No sooner, however, had the Chinese troops retired, than the Russians re-occupied their burnt Amur settlements, and once more the conflict began anew. But diplomacy then made itself felt. On the invitation of the Emperor of China, the Czar of Muscovy appointed plenipotentiaries, and finally, after much delay and haggling, the famous treaty of Nerchinsk, in which Russia undertook to withdraw entirely from the Amur, was signed in 1689.

The Nerchinsk treaty was the foundation-stone on which the curious Russo-Chinese relations were destined to be built. Although Russia had nomin-

ally retreated, she had succeeded in at last entering into direct relations with Peking, for the Russian prisoners whom the Chinese had captured during the many years' desultory warfare had been incorporated in the Manchu Imperial Guard, and the Chinese Government consequently assented to the establishment of the well-known Russia House in Peking, which, nominally a religious establishment ministering to the wants of those belonging to the Orthodox Church, soon became charged with political work, and the cultivation of special relations with the Manchus.

The establishment of the Russia House was soon followed by another concession—the right of Russian merchants to send caravans direct from Siberia to Peking over the Mongolian desert route (the Kiachta—Urga-Kalgan road). In 1727 a treaty was drawn up regulating this trade; and in 1768, a further instrument concerned with the same subject was signed. Russia, taking advantage of her favourable geographical position and her conterminous frontiers, and possessing a diplomacy which thoroughly understood the nature of Chinese pretensions, thus succeeded in entering into intimate relations with China, even though it was in a somewhat subservient fashion, a full century before any other great Power could claim a like privilege.

The able diplomatists whom the hitherto unimportant State of Muscovy invariably employed during the eighteenth century to direct the difficult relations with China—a country desirous above all

things of remaining a hermit Empire because the ruling Manchus understood that their hold over the Chinese people was none too firm—were not slow to point out to the Manchu mandariate that Russia occupied a very peculiar position towards the Son of Heaven whom divine providence had placed on the Dragon Throne. They were pleased to remind their cousins that the blood of Tartar conquerors ran thick in Russian veins; that Russia but a few centuries before had been an “allied State” when the great Khan, Genghiz, held his Court on the banks of the Onon, an affluent of the Amur, or at Karakorum on the Orkhen, a stream emptying itself into Lake Baikal, and claimed allegiance from nearly all Asia and a large piece of Europe. To such special pleas they added that China and Russia were in reality natural friends from the day the Golden Herdt had been the suzerains of Muscovy and Cathay, and that to revive and continue that friendship had been the one desire of the Czars.

As time went on, the idea of this great Northern Power, Russia, occupying a peculiar position historically and geographically towards the Peking Throne, and sharing the heritage of Genghiz Khan and his Tartars with the Manchus became, in some ways, an accepted fact; and because Russia and China divided the questionable honour of ruling a vast number of Mongol tribes constantly in rebellion along a vast land-frontier which was none too clearly defined, the conviction may be assumed to have deepened that the destinies of the two nations were

in some way bound up together, and that one day each might stand in need of the other. Along a lonely land-frontier of immense length years pass quickly in a dull monotony, and it was not until the nineteenth century that anything momentous occurred in Russo-Chinese relations. Then the over-sea movement from Europe began to alarm the Manchu Throne. The Portuguese, in their decaying settlement of Macao in Southern China, had long ceased to be an object of solicitude, but now a new race of mariners, the English, after many decades of pecking and picking, were beginning to loom up larger and larger, and by their persistence in endeavouring to open up markets were creating more and more difficulties in the southern provinces. The Russians had been content for centuries to despatch their slow-moving^u camel caravans into the domains of the Emperor of China, suzerain of all outer barbarians, and had never demanded any great privileges; and now the English and the other people who came hurriedly by sea from unknown countries which could scarce be civilised on account of their distance from the central kingdom, wished for settlements where they might establish themselves permanently. There was no question about which class of relations the Peking Government preferred. Men who come by sea are almost invariably robbers from an unknown country which may be a vassal State, able to masquerade, far from home as a great Power: the men who come by land are generally subjects of a neighbouring Empire, of which something can

always be ascertained. Thus reasoned Peking, and taking their cue from the Manchu Court, Chinese officialdom all the Empire over nodded somewhat sleepily and said that it was true.

The wars and collisions between England and China, which finally culminated in the Treaty of Nanking, were bitter blows to Chinese pride ; but it was not until the Anglo-French expedition of 1860 was encamped before the Peking walls that the Manchus thoroughly realised what the peril which came from over the seas really meant ; and it was in this hour of need that friendly Russia appeared on the scenes in a *rôle* which singularly became the sympathetic and cunning courtiers of the Czar. Already in 1858 Muravief Amurski, sailing down the Amur with his flotilla of flat-bottomed boats, had concluded the Treaty of Aigun with the Manchu frontier officials. In this curious instrument the Chinese, for no known reason, ceded to the Russians the left or northern bank of the Amur, and permitted that the country between the Ussuri river and the sea—the Primorsk of to-day—"should be held in common by the two Empires." In 1860, General Ignatieff, the Russian Plenipotentiary, despatched from the Muscovite capital to ratify the Muravief Treaty, arrived at a most auspicious moment. The Manchu Sovereign with all his Court had fled precipitately to Jehel on the advance of the Anglo-French Allies, and had left a single Prince, Prince Kung, to negotiate with the barbarian leaders of the English and French hordes for peace and the safety

of the capital. Matters were at a deadlock when Ignatieff appeared providentially on the scenes. He was able to convince the Chinese that the slender Russian forces on the Siberian seaboard had beaten off these same Anglo-French attacks during the Crimean war only five years before, and had actually compelled the fleets of these two maritime Powers to retreat from Kamschatka.

The result was but natural. In the Russian treaty of 1860, the Ussuri districts and the Manchurian sea-board facing the sea of Japan, over which a joint jurisdiction was to be exercised according to the Aigun instrument, were now ceded openly to Russia, and the Northern Power at last possessed an outlet on the Pacific far superior to anything she had hoped for. On China Russia lavished assurances that, now she was in a position to undertake such important duties, she would soon become the policeman of the North—that is of North China, Manchuria, Korea, and the adjoining seas—and drive away by force if necessary all these sea-people who were becoming more and more menacing. Russia thus constituted herself the champion of land-power in the Far East as opposed to sea-power, and by her cunning arguments and able exposition of doubtful questions convinced Chinese statesmen for the time being that the acceptance of her peculiar point of view was the lesser of two evils.

For at least two decades there were no developments of much importance. Vladivostok was

founded and slowly built up: the Amur was gradually settled, but the century old Russian friendship was not called upon to do anything. China was quiet excepting for a few of the usual rebellions and petty massacres.

In the 'eighties, however, it became increasingly clear to Russian statesmen that Japan, still an almost unnoticed quantity although there had been already many minor questions regarding the possession of the many islands fringing the sea of Japan, might become very troublesome: for devoting herself steadily and successfully, in spite of all the many difficulties, to the task of modernising herself, she was becoming a new factor of growing importance. It was hoped, however, that the policy of turning her back on the East and taking up with the West—a policy then hateful to China—would prove in the end impossible, and that a natural relapse would one day take place,

And in the 'eighties, when an inkling of the 'nineties and the twentieth century was beginning to be had, Li Hung Chang, a veritable Eastern Machiavelli, stepped far forward on a stage he had long occupied and became one of the most commanding figures. Already in 1882 with a Bismarckian cynicism, he had supported the suggestions made that Japan should be attacked and crushed before she became too strong: but his suggestions were treated as are all suggestions in China—they were shelved for a morrow which never dawns. Irritated by the spectacle of a Japan rapidly growing

more and more efficient and Western in her methods, and filled with the haughty Chinese conceit of conservatism—a conceit which has no limits—Li Hung Chang set deliberately to work to thwart Japan. And behind him stood with pleased features mighty Russia, the natural friend of all land-Powers, whom China had endowed with large strips of territory for prospective help.

The natural battlefield was Korea, where the rival interests of the two countries of the East fiercely clashed : and in Korea, as has already been seen, the situation became more and more critical until war finally resulted. Instead of European navies, it was a new Eastern maritime Power which had to be faced. Russia was ready with a new combination. What were the real relations between Li Hung Chang, the chosen lieutenant of Manchu or Conservative interests in China, and the representatives of the Czar's Government, in those pregnant 'eighties and early 'nineties when Li Hung Chang at his Viceregal seat of Tientsien dominated all the eighteen provinces and was the confidant of the Empress Dowager ? No man may say. One man could have spoken had he so willed—Pethick, Li's American secretary, who died a few years ago ; but immediately after the demise of this little-known secret agent all his papers disappeared, and the world will now possibly never know many things of crucial interest.

It is quite certain, however, that Li Hung Chang, possessing a breadth of view and a keen comprehen-

sion of world-politics highly remarkable even in so naturally astute a class as are Chinese high officials, understood that two rival countries which possessed bases so near one another as Russia and Japan would soon pass from being mere rivals into actual enemies, and that it would then rest entirely with Chinese diplomacy as to the rôle China would be called upon to play. During the decade 1884 to 1894 China, guided by Li Hung Chang's illuminating memoranda, acted towards Russia as she had done ever since the early caravan days—in a word, treated Russia as a Power which, being geographically and historically quite differently situated to the rest of Europe, was worthy of different treatment. On Japan China sullenly frowned, realising that there was danger in this new-found Western efficiency.

The war with Japan over the Korean question was a war which China could have with difficulty avoided, in spite of the opinion largely current at the time that Japan forced the conflict on China deliberately and with the avowed intention of chastising her big neighbour in order to gain for herself a position as a great Power. Such an opinion may be correct in a narrow sense but not in a broad one. For when new factors created by time and natural development take their place in the general scheme of things, they do so at the expense of older factors, and some violent disturbance must infallibly take place before the change is completed.

The net result of the Korean war was to tighten the bonds of sympathy between Russia and China.

Li Hung Chang had firmly believed before the war that his English-built ironclads and his Tientsien troops would be a match for the Japanese, and their almost complete failure in the hour of need filled him with a bitterness which is easily comprehensible. The alarm experienced in Peking at the spectacle of Japanese troops overrunning Korea and the Liaotung was shared in St. Petersburg. Arguments which had lain dust-covered and half forgotten in the wardrobes of Muscovite diplomacy were hastily searched out and whispered sympathetically into China's ears. Russia, the great land Power, whose frontiers, stretching from far-off Europe to the blue waters of the Pacific, marched with the frontiers of China for thousands of miles, was something tangible, comforting, and really mighty, even for Manchu rulers; and then Russia was willing to help the neighbour who shared with her the mantle of glorious Genghiz Khan and all his gallant descendants, together with the rich heritage of half High Asia.

The unpardonable false step which the Mikado's advisers committed when they demanded the cession of the Liaotung as a portion of their price of victory hastened matters. Russia, who saw herself deprived for all time by the rapid Japanese advance of the ice-free ports in the Far East, which she dearly coveted, made up her mind to crush Japan with the help of France and Germany if the Liaotung were not handed back. In 1895 there was no question of a Russian bluff, as there was in 1903 and 1904—

there was the earnest resolve to strike fiercely at Japan unless she retreated.* Under such circumstances there was nothing for Japan to do but to retreat unconditionally.

During the latter part of 1895, and the entire year of 1896, Russian diplomacy was very busy with China. China was told again and again that it was Russia which alone had saved her from the cruel fate of losing the rest of her Manchurian sea-board, and one of the most developed parts of Manchuria—the Liaotung. High Chinese officials and the Manchu Court answered that they thoroughly understood the nature of the obligations under which they stood, and that full repayment would be made in due time. It was thus not hard for Russian diplomatists to point out that the arrangements made in 1860 were no longer sufficient to ensure China's safety, although they had done so for upwards of thirty years, owing to the fact that a new Power had arisen, and that Vladivostok and the fortified Primorsk were too far off for policeman's duties to be undertaken in the gulfs of Pechili and Korea. Cunningly advancing all the arguments of which they were the accomplished masters, the Czar's able Ministers little by little, inch by inch, weakened China, and accustomed her to the new position. It was like a worldly-wise *roué* seducing an old maid, who, although she cared but little for morality in the abstract, disliked changing her view of life so completely as entering into an illicit connection would mean.

The year 1896 is, therefore, thick with mysterious Russo-Chinese conventions, agreements and memoranda. Count Cassini laboured incessantly in Peking, and Li Hung Chang, smarting under the terrible loss of face the Japanese war had entailed, ably seconded all his efforts. A Ukase of December, 1895, founded the famous Russo-Chinese banks, one of the instruments which was to cement the new understanding. Count Cassini drafted the convention, which bears his name; Russia lending her good offices, secured the loans necessary to pay off the first part of the Japanese war indemnity, and finally China sent no other than Li Hung Chang himself as Special Envoy to the grand Coronation ceremonies of the young Czar Nicholas. Russian diplomacy was, indeed, mightily busy, and, continually working, succeeded in at last accustoming China to three grand points of view, which covered a multitude of lesser ones. The first was that Russia, being without any convenient bases in the Far East free from ice all the year round, must be granted some port, or ports, which she could share with China.¹ The second point, leading as it were to the third, was, that unless Russia were able to exert her great strength as a land Power her friendship with China could not take the form of material

¹ It is curious how, in treating with China, Japan, and Korea Russia has always wished "to share" advantages—witness certain clauses in the Aigun treaty, the first Saghalien proposals, the Tsushima provisional arrangement, and the question of coaling ports in Korea. In each case the arrangement designed was only temporary till Russia could make a permanent one.

support in case a fresh crisis in the Far East should arise, and Japan attempt to repay China for calling in the help of the West. And the third and concluding point was this. In order to bring her myriads of soldiers to the Far East, Russia had already begun, years before the Japanese war, a grand trunk railway at great expense to herself ; but as the railway would have to follow the northern bank of the Amur, it would be indefinitely delayed unless a more convenient route could be granted by generous and magnanimous China, who had already bestowed the Primorsk. It is worthy of note that the young Czar as Czarewitch had cut the first sod of the trans-Siberian railway in 1891, and therefore took a personal interest in all these questions.

In the Cassini Convention we see these points of view in their crude and undeveloped state. Immediately after the Japanese war Russia was "to share" naval bases with China ; her projected railway through Manchuria was to link up the Amur terminus, Stretensk, with the Manchurian provincial capitals of Tsitsihar and Kirin, and connect with Vladivostok in the east and the Liaotung ports in the south as an afterthought. It would appear as if everything was first drawn up more on a friendship basis than as a strictly sound and business-like understanding.

The premature publication of the Cassini Convention changed the programme materially. Instead of a vague whole, a definite chain was now substituted, link by link, as opportune moments presented

themselves, and it was only due to disastrous 1900, which surprised everyone from the Manchus to the Muscovites, that the proper methodical development of daring things was upset and hopelessly deranged.

Too little attention has been directed to the fact that the young Czar from the moment of his coronation became a most important factor in the new Russo-Chinese programme. For no sooner did Li Hung Chang begin his momentous series of personal interviews during April, 1896, with the Czar, than it became abundantly clear that Nicholas II., from the mere fact that he had toured the Far East as Czarewitch, esteemed himself capable of personally directing the consolidation of Russian interests in the extreme East of Asia. After the coronation ceremonies the Czar, waiving all rules and etiquette, sent repeatedly for Li Hung Chang, and expounded to him the doctrines which he held on the Far Eastern question. He impressed on the Chinese statesman, that Russia was a country sparsely inhabited, covering already a vast area, and that therefore she did not desire to annex or occupy the territory of any other nation in the world, as she had all the room she wanted, or was likely to want, for many years to come, within her own boundaries. His Imperial Majesty further pointed out that the friendship between China and Russia was a particularly intimate one, and was increasing daily in cordiality; that a railway through the three Eastern provinces (Manchuria) would not only be a great convenience to the

Russian authorities in the matter of facilitating the transport of troops, but that in the event of China being invaded by a foreign foe, or of internal disorders, it would prove very helpful. These remarks are from the actual conversations reported by Li Hung Chang, 1896, to Peking, which have been published in Chinese documents.

Then, not content with this, the Czar handed him over to the tender mercies of his most adroit ministers. MM. de Witte and Lebanoff, who merely reiterated the same arguments. These Li Hung Chang conferences decided the preliminary details of the Manchurian railways, and induced the sanction of the Chinese Government. In St. Petersburg and Moscow both this subject and correlative ones were beaten threadbare, until Li acknowledged himself completely conquered.

It was only natural, then, that affairs should have taken the course they did. Chinese caution, ever on the look-out for complications, advocated a piecemeal policy which would eventually place things on a firmer and more satisfactory footing even for Russia. Thus, the original Cassini programme was entirely withdrawn and recast. In 1896, the Russo-Chinese Bank openly obtained the concession for the trans-Manchurian railway (the Za-Baikalia-Ussuri section). In the winter of 1897 Russian men-of-war steamed into the dismantled Port Arthur merely tentatively to see what England would do, as the Kiaochow incident seemed to point to the fact that a British foreign policy had ceased to exist in the Far East.

Russian diplomatists proved quite correct in their surmises, and as soon as the Foreign Offices of St. Petersburg and Berlin had arranged the Kiaochow affair to their mutual satisfaction, the Port Arthur leasing agreement was signed, and permission given to the Russo-Chinese Bank to build the Central Manchurian Railway (the Port Arthur-Harbin section).

Russian diplomacy, although it had proved itself eminently successful in direct negotiations with the Chinese Government, was undoubtedly, in spite of M. Alexander Ular's statements to the contrary, as completely surprised as the rest of the world by the savage and sudden Boxer outbreak. Whilst accurate watch can always be kept over Peking and its curious cliques and rings of Manchu and Chinese officials, the storms of rebellion which periodically sweep over the face of Eastern countries like China, where the forces of disorder lurking beneath the surface are merely kept in check by a system of government by equipoise, surprise everybody by the flame-like rapidity with which they spread; and the Russian, astute though he undoubtedly is, was nonplussed in 1900 with the rest of Europe.

A whole volume might be filled tracing in great detail the curious process through which Russian diplomacy was forced to go from the moment of the Boxer rising to the outbreak of the great war. For never was a Power so awkwardly placed, and never did so many conflicting situations overlap one another. Listen to a few things which must be

considered. China was at peace with Russia in 1900, and indeed to some extent secretly allied to her over the Manchurian question and the question of possible foreign aggression in the rest of the eighteen provinces. Then Prince Tuan's party usurped the government of China, and by thoroughly frightening the Manchu Court and Throne at length forced them to throw in their lot with the Boxer movement, which aimed at expelling everybody, sea-travelling Europeans and land-route Russians alike. The Russian railway parties were driven out of Manchuria, and Gribski retorted to the Chinese bombardment on the Amur by the infamous Blagoveschensk massacre. Then, as Russian troops were slowly beginning to move, the Prince Tuan party declared a special war against Russia, in special edicts, ordering all Russians to be driven out of Mongolia and Manchuria. Russia again retorted by invading Manchuria and occupying the capitals, carrying fire and sword everywhere.

Whilst this was commencing, the Peking Relief Expedition was slowly collecting at Tientsien, and General Linevitch, the Russian General in command, acting under direct orders from St. Petersburg, was attempting to delay the departure of the relieving columns until it was too late—for reasons which are still obscure. Finally, however, the Russians, in company with the troops of all nations, entered Peking, helped to sack the capital, then occupied the Imperial Palaces; and after a brief moment of

repose suggested that Peking should be evacuated and the troops accompany the Corps Diplomatique to Tientsien. Monsieur de Giers, the Russian Minister, actually started for the treaty port, but soon came back when he found that no one was following him.

Meanwhile Li Hung Chang, hurriedly transferred from the Canton Viceroyalty in order to take supreme charge of the peace negotiations, arrived in Tientsien and soon found his Yamen surrounded by Russian sentries who prevented all but the Czar's officers from entering into communication with him. Russia, collecting her bewildered senses with astonishing rapidity, and faithfully served by her many able lieutenants in the Far East, was able to revert to her pro-Boxer attitude and to resume her secret relations with the ruling Peking cliques, at a time when the other Powers were loudly and toolishly talking of international co-operation and of the necessity of presenting a solid front.

The Manchu Court, which was fast fleeing down the rough Shansi road to Hsianfu, had left countless agents in hiding in the neighbourhood of Peking, whose duty it was to enter into friendly relations with anyone who was willing to help the Throne in its hour of need. Of course all good Russians were only too anxious to be of use, and the chiefs of the Russian Legation, the Russo-Chinese Bank, and the Russian Army, together with the special agents of the Political and Military Intelligence Departments, speedily resumed their intimate intercourse

with those who were friendly to the Northern Power.

During 1901 Russia had therefore three distinct and separate *rôles* to play in China: the part of ally to all Europe; the part of China's dear and secret friend in Peking; and the part of Manchuria's real master in the invaded provinces; whilst over and above in Europe she had to quiet the secret fears of numerous Chancelleries busily inquiring as to her real plans in the future.

It was highly unfortunate for Russia under such circumstances that Li Hung Chang should have died so soon after the initial peace arrangements had been made. But the signature of the peace protocol of 1901 had relieved Russia of having to play any longer the first of the *rôles* mentioned above—the part of faithful ally of the European Allies—and yet, in spite of this, the proclamation of peace after a vague state of war had existed between all Europe and a portion of China was still very embarrassing for the Manchurian programme. With Li Hung Chang gone, other parties in the circle of the Peking Court began to raise their voices and earn merit safely by pointing out that it was incompatible with Chinese dignity to allow Manchuria, the cradle of the reigning dynasty, to remain in foreign hands. To the chorus of these voices the vernacular and English press of the Far East added its due quota; whilst at least three Legations at Peking—those of Great Britain, the United States, and Japan—persistently demanded a Russian retreat at all costs.

And the sudden and unexpected publication of the Anglo-Japanese Alliance made things look even more ugly.

By the spring of 1902 matters had reached such a pitch that Russia had to cease acting so many different and ill-assorted *rôles* and sign unconditionally the Manchurian Evacuation Agreement of the 8th of April, 1902. Appearances were for the time being saved, but nothing else was. The Far Eastern uproar having been at least temporarily quieted, Russia was able to give her undivided attention to European Chancelleries, and it is not open to doubt that in very few months she succeeded in placing many cabinets on the Continent on her side in regard to the Manchurian question. The truth of this was being daily proved as the late war developed new features. By 1903 Russia was assured that neither England nor America, in company with Japan, were prepared to go to the same lengths as Russia herself had done with France and Germany in 1895 over the Liaotung peninsula business, and therefore Russia was not unhappy. She had undoubtedly lost ground in the Chinese capital owing to the fact that Chinese officialdom was beginning to perceive that the real aggressor for the time being was Russia, the acclaimed land Power, and not one or more of the maritime Powers. Still, shutting her eyes to external views of things, Russia persisted in recalling to retentive Chinese memories the fact that eight years before she had saved the

Empire; that it was necessary for her for the time being to retain a certain position in Manchuria (although she had no very clear idea of what that position should be), and that the real danger came from Japan. By repeating these arguments night and day, and by helping numerous high Peking officials financially, she managed to secure at least that China sat helpless and torn by conflicting emotion—the very picture of a distraught and distracted country conscious that it was between the devil and the deep blue sea.

Such is as accurate a general picture as can be drawn in so few pages of the debatable question of Russo-Chinese relations. There is in these relations an amount of obscurantism and opportunism which baffles clear and logical analysis. But it may be broadly said that Russian influence has been invariably almost entirely confined to a few highly-placed Peking officials, who, able to play on the feelings of the Manchu ruler owing to the enveloping nature of the Russian land-frontier and its proximity to Peking, succeeded in creating temporarily a very extraordinary state of affairs in which secret and mysterious documents and agreements, and many other dim and shadowy things continually changed hands, until Russian diplomacy itself would have been hard pushed to know exactly the point it had reached. To speak of the intrigues which have been conducted with lamas or living Buddhas in Mongolia would be wandering from the point. These intrigues have

been much exaggerated. To the north of China, and indeed to the whole country, Russia has always appeared as one of those countries from which spring the hordes of invaders who have so often poured into the distressed provinces.

Turning now to the second part, the relations which have existed between Japan and China both in the dim past and during the last few decades, we come to an entirely different set of factors.

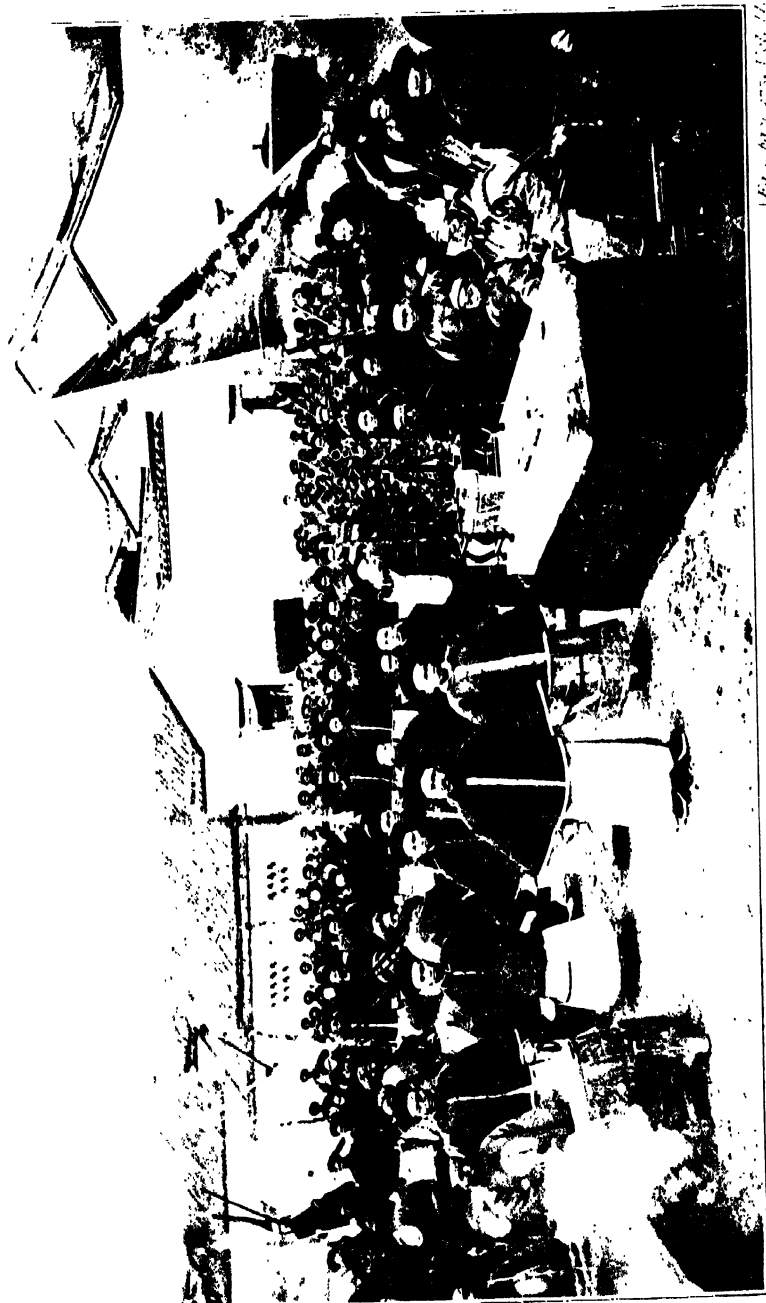
For many centuries there were no relations worth speaking of between China and Japan—at least from a political point of view. Japan in the first instance had borrowed her literature, her arts, her philosophies, and her fashions from China, but that was very long ago. Thus the kimono is only the Chinese dress of the T'ang dynasty (A.D. 618–907): the written character of Japan has the stiffness and squareness of a writing in vogue ages ago in China: the glorious colourings of the pottery and lacquers of the Ming period are the models for Japanese art: the philosophies of Japan are those of the great Chinese commentators of Confucius and other learned men. In a word, the people of the island Empire, after migrating to their present country by way of the neighbouring peninsula of Korea, developed their peculiar civilisation by borrowing all the models and ideals from China which they esteemed good and worthy, and changing them very little.

It was not until the Mongol sway began in China that the islands which Marco Polo called Cipangu

stood in any danger, and that an attempt was made to practise the arts of war on a peaceful country which had only desired learning and culture. When Kublai Khan was at the height of his power and reigned in unexampled splendour at Cambalue or Peking, he heard of the wealth of Japan and decided to possess himself of it if possible. In A.D. 1281 a Mongol Armada set sail from China composed of many hundreds of Korean and Chinese junks, and carrying a host of men numbered at one hundred thousand by Japanese historians. Although a landing was actually effected on the island of Kyushiu, a typhoon suddenly arose and wrecked the entire expedition, whilst the soldiery were all captured. After this China never again attempted to interfere with Japan, and relations between Northern China and the Japanese islands are difficult to describe.

During centuries these Chino-Japanese relations were very slender, and may be said to have been almost non-existent. When Hideyoshi ordered the invasion of Korea at the close of the sixteenth century, Ming armies, it is true, crossed the Yalu carrying succour to a vassal State; but they were not able to avert the ruin which overtook the peninsula owing to the frightful nature of the fighting between the Japanese and the Koreans. Such intercourse as then existed between the Chinese and the Japanese was carried on almost entirely between South China and the island of Kyushiu by means of Chinese trading junks, and it was these vessels which bore the first Portuguese adventurers

1914, 1915, 1916, 1917, 1918



to the Japanese isles three and a half centuries ago. Even in those old days, however, Chinese writers speak with a wholesome fear of the sharpness of Japanese swords, of the resolution and soldierly virtues of the adventurers who occasionally sailed over from Kyushiu and raided the coasts of southern provinces, such as Fukhien and Chehkian. Gradually Chinese traders found their way to Japan in ever-increasing numbers, and began the flourishing trade which now exists between the two Empires. In this way a considerable number of Chinese reached and settled in the rich city of Osaka, and it is said to this day that the Osaka men owe their superiority in commercial matters and their inferiority in fighting to the large admixture of Southern Chinese blood found in their veins.

The opening up of Japan by the Perry expedition was destined to inaugurate a new era in Chino-Japanese relations. The Chinese still affected a hearty contempt for the *we-jen* or dwarfs of the Japanese islands; but their traders, however much their Government might affect to despise such neighbours, were too good business men not to avail themselves of the opportunities presented by the opening of new markets. Just as it was from India, and mainly through the efforts of British merchants interested in the Indian trade, that China was opened up, so it was from China that Japanese trade was developed by men who had served an apprenticeship in the China ports opened by the Nanking and Tientsien treaties. In the train of these migratory

English merchants came Chinese in increasing numbers, some as independent traders, but a large proportion linked to British merchantdom. Thus China commercially gradually assumed the same position towards Japan as the other Powers.

It was not until the 'eighties that the Central Government of China, informed from various quarters, became more and more irritated at the rapid progress Japan was reported to be making in Western arts and sciences, and at the growing Japanese pretensions in Korea. To the European, to whom Eastern modes of thought and points of view seem incomprehensible except after many years of patient study, it may not be clear why Japan's sudden conversion to Western ways should have been looked upon by the rest of the Far East as an apostasy. But be this as it may, it was considered highly insulting to Chinese pride that a race of men who had borrowed everything from China should now deliberately forsake the East for the West. And even more insulting to China was the knowledge that Japan was growing more powerful than she, for the Chinese in spite of their conservatism were too intelligent not to foresee that the Western manner of conducting war would soon settle the destinies of the East. Li Hung Chang, Chang Chih Tung, and other great viceroys commenced the raising of foreign-drilled troops in respectable numbers at least two or three decades ago, with their eyes fixed on Japan; and it will be remembered that at the outbreak of the Chino-Japanese

war the Chinese fleet of armoured vessels was far superior to the Japanese, and had been made so for one purpose only.

Although, however, this constantly-growing Chinese irritation with Japan existed, it is tolerably certain that had there been no Korea to complicate matters, Chinese statesmen would have been too astute ever to have carried out Li Hung Chang's Bismarckian suggestion to attack Japan before she became too strong. For such commercial and other relations as then existed between the two countries were still carried on from Central and Southern China and not from the North—that is Chihli, Shantung, Manchuria, etc.—and the value of the North and its food and fertilising supplies were then undreamed of by Japanese merchants and the Japanese Government. In Korea alone was the Central Government of China brought into dangerous contact with Japan ; elsewhere it took but little cognisance of what Japan was doing, and cared not over much so long as the provincial Viceroys did not raise questions. It was, therefore, alone in Korea that the two countries met on common ground.

For many years Korean mobs behaved in a disgraceful manner towards the Japanese Legation and Japanese Consulates, egged on by a reactionary Court, and sometimes even openly aided and abetted by the Chinese soldiery forming the escort of the Imperial Chinese Envoy—the high official directly representing the suzerain power in Seoul. Japan,

determined no longer to submit to the affronts put on her, arranged a temporary *modus vivendi* with China, which gave her the same right as China to station troops in Korea. But both Japan and China knew that the question had not been really solved, and this was soon proved correct by the outbreak of a Chino-Japanese war.

It was with terrible feelings that China saw her ironclads disappear, her foreign-drilled soldiery, in spite of some resolution, finally defeated, and the Liaotung overrun with Japanese troops ; and it was but natural under such circumstances that China should have rushed into Russia's outstretched arms. In place of the former Chinese official contempt for the Japanese a fierce hatred sprang up, especially among those in the immediate *entourage* of the Manchu Court—a hatred which has even now not entirely disappeared, and which must be carefully reckoned with as a strong undercurrent during at least the next decade or so.

It requires some years of what may well be called the new Japanese policy—the wise policy based on the best Anglo-Saxon ideals which Baron Komura himself inaugurated in Korea, and other able men mapped out—to gain even a few friends for Japan in China ; for the loss of Formosa had been almost as bitter as the loss of the Liaotung would have been. But gradually the effects of the new policy began to be felt, and Chinese officials and Chinese people became more tolerant. Each successive shock that China has sustained as a result of her

blindness and bigotry has been responsible for strong undercurrents of progress, almost immediately discernible; and after the Korean war this was soon verified. These undercurrents have always been in danger of being swamped by the vast sluggish masses of stagnant waters lying heavily everywhere, but gaining in strength as years proved their worth, the undercurrents have ended by showing that their power is undeniable.

The war with Japan saw the native press of China, until then a shrivelled bud of no promise, suddenly begin to blossom, and this felicitous flowering was a good omen for Japan. For Chinese newspapers were modelled after Japanese newspapers; the very type they used was all cast in Japan: the native compositors had to learn their work from Japanese; and thus in many trivial ways a new community of interests began to spring up between the letter-loving Chinese and the school-master Japanese along the fringe of coast and river-ports open to foreign intercourse. Now, finding that the haughty Chinese were at last showing themselves willing to learn something new, Japanese translators were seen at work in company with Chinese *literati* rendering Western novels, histories, scientific books into *Wen-li* or polished Chinese prose; and to the newborn newspaper life was added that growing literature in which you may find to-day all the masterpieces of Europe excellently translated into the language of Confucius.

For Japan the war with China meant also many

things, chief of which was the immediate realisation that she must become a manufacturing country and play the same part to the mainland of Asia that England had played in the past to the Continent of Europe. A glance at statistical records shows the phenomenal expansion which took place in Japan at this period in the development of the factory idea; and another glance at statistics reveals that raw stuffs and cereals from the Asiatic mainland benefited accordingly. Cotton began to be exported in ever-increasing quantities from the Yangtze basin; Manchuria was "discovered," and great quantities of beans and their products made their way to Japan; the Japanese flag made its appearance more and more frequently in Chinese waters—in a word, the Chinese and Japanese peoples, after a sharp passage of arms between their Governments, were slowly but irresistibly pushed together on account of their proximity and their similar interests.

Meanwhile these new things which were gradually leavening the Chinese masses along the coasts and open waterways more and more were not without their influence on the ruling Peking clique, although Japan was still regarded with a disapproving frown. Defiant for several years after the Japanese war, the Chinese mandarin and the Manchu Court, after the events of 1898, could not shut their eyes to the fact that "protection" given by the 1895 triplicate had been paid for almost as dearly as the hardest usurer could have desired. It is true that in place of an actual cession of the Liaotung only conditional leases

had been given to Russia, Germany and France; whilst in the case of Japan, even with the intervention, Formosa had been stripped from the Empire. To the sage, old Chinese diplomatists nodding sleepily in their Yamens, the matter appeared as six of one and half-a-dozen of another, and it seemed clear that nothing had really been solved. They would wait patiently and gain time—gain that time which has always vanquished everybody.

The Boxer movement surprised the whole world, and it surprised the Chinese Government almost as much as everybody else. Missionary authors have been at some pains to trace laboriously what they label the genesis and growth of Boxerism, and have attempted to show that the Boxer movement was a carefully planned national movement. It was, however, nothing of the sort. It was merely a natural outbreak, proving that a species of spontaneous combustion occurs with the greatest ease among loosely-governed Eastern peoples. Some people are never tired of asking whether the Russians or the Japanese knew anything of the movement, the consequences of which have proved so far-reaching, before it occurred—the former on account of their political cozening with the inner circle of Chinese officialdom, the latter because of their racial affinity. To this question, a qualified negative may be once more given in both cases. The Russian Government learned a little of what might happen, and so did the Japanese a few weeks before the outbreak, but neither Power was in a more favoured position

than those nations which possess missionaries scattered over the interior of China, all of whom sent repeated warnings.

The immediate consequence of the 1900 outbreak was to see Japan's position in regard to China vastly improved. A number of things contributed towards this state of affairs, but undoubtedly the most important and far-reaching was the admirable behaviour of the Japanese troops during the occupation of Peking. Whilst these troops did most of the heavy fighting from the sea to the Chinese capital, no sooner had they entered Peking than it became clear that their one desire was to allow the events occasioned by the Boxer madness to be forgotten as soon as possible. In a word, they felt that to restore order and confidence among a terrified populace were the best things which could be done.

Thus, a week after the entry of the relief columns into Peking, the Japanese section of the city was quite safe and order well preserved, whilst other parts were still in a frightful uproar. Chinese officials and rich men in hiding quickly flocked to the Japanese quarter, and finding peace and safety from outrage for themselves and their womankind they noised the news abroad far and wide, both then and after the evacuation, that the Japanese were virtuous. The despised *we-jen*, or dwarfs, of former years had become an intelligent and excellent people. Never has anything demonstrated more clearly that justice and fair dealing have not only an immediate reward, but one which is continuous and

almost everlasting. Most important of all for Japan, the Peking exclusiveness and contempt which had shown itself for years past in high places practically disappeared from the surface, gaining a certain strength only later on, as will be shown. In other words, the Manchu party was beginning to see the good points of the Japanese, just as the people of the coast and river ports had already done.

As soon as the main bodies of occupation-troops had withdrawn from Peking and the Court had returned, a party sprang into existence which openly favoured a pro-Japanese policy in place of the former Russian *entente cordiale*. The fact, however, that the Russians were still in occupation of Manchuria and continually hinting privately that the time had now come for former promises and understandings to be given effect to, made the Peking cliques and the Court more cautious than ever, and less and less inclined to do anything which might be taken as indicative of their true policy and inclinations. The Chinese Government, in fact, was placed in one of the most uncomfortable positions it had ever occupied. For while it was prepared to admit that the Japanese had certainly reversed the policy of the years 1894-5 and wished it to be thoroughly understood that such was the case by their Peking behaviour, it was equally clear that Russia was for the time being the most dangerous factor because of the continued occupation of Manchuria and the special private arrangements set

forth in the voluminous memoranda exchanged after the Japanese war.

The delicate and intricate negotiations which led to the signature of the Manchurian Evacuation Agreement of the 8th April, 1902, eased the minds of the Chinese diplomats somewhat, for they understood that with England, America and Japan frankly desirous of helping China and insisting on her integrity, the great Powers which still called themselves ironically an International concert in the Far East were being divided by the force of circumstances into two great camps, of which the Anglo-Saxon was by far the stronger. And also China, being powerless by the signature of the Evacuation Agreement, had nothing more to do with the retirement of Russian troops.

Nor did the significance of the Anglo-Japanese Alliance escape Chinese official attention. The native press of China, which was at least doubled by the events of 1900, had by the year 1902 assumed proportions little dreamt of a decade before. Its publications, formerly numbered by twos and threes, now ran into many dozens, and circulations for the first time began to rise far above the maximum hitherto noted, which was 10,000 copies a day. The continued presence of the Russians in Manchuria was responsible for the continuous quoting of that old Chinese proverb whose origin is shrouded in the mists of antiquity, "Do not fear the cock from the South but the wolf from the North." Russia, whose vast bulk has always

impressed Eastern imaginations, now loomed so large and so close that anything which could fling her back into Siberia was snatched at by the Chinese press.

It was with considerable surprise that both the Chinese Government and the Chinese press finally realised by the summer of 1903 that Japan had actually commenced direct negotiations with Russia, and was determined to press for a definite understanding on all disputed points in the Far East. But it was equally well understood by Chinese officials that the paramount question with Japan was Korea and not Manchuria, and that although a Japanese war with Russia might lead to the addition of Korea to the Mikado's dominions, it was not improbable that either the whole or a considerable part of Manchuria would be annexed by Russia in consequence. Thus by 1903, although Japan had succeeded in altering her standing completely in China, she had not succeeded in convincing the Chinese Government of her ability to solve the Manchurian question. It seemed impossible, too, in Chinese eyes that a small country like Japan should be able to vanquish completely such a big country as Russia. And no matter whether Russia agreed in a fit of despondency to retreat from Manchuria, she would always be in a position to threaten Mongolia, and indeed annex such portions of that vast stretch of country as suited her. Thus for China the dangers of the situation of 1903 meant nothing but dangers immediate and prospective :

and experience had taught the Chinese Government that without ever being able to call the tune she inevitably has to pay the piper.

It will be observed that in all this there is but little said of the actual relations which existed immediately before the war between China and Japan and Russia and China. This is easily explained when it is remembered that the real business of the Chinese Government is still considered to be, in spite of the remarkable events of the last decade, the governing of the eighteen provinces and the outlying territories, and not the far more important question of foreign relations and the solution of those affairs affected by foreign policies. The cynical might remark with some truth that England shows a remarkable similarity to China at the present moment in this respect, but this, of course, has but little to do with the question.

In at least one thing, however, China had progressed far enough: in the higher appointments of the *Wai Wu Pu* or the Foreign Office she favoured men who had marked leanings towards Japan, whilst the despatch of students to Tokyo, which had begun before the Boxer outbreak, was now ordered officially. Hundreds of young men drawn from every one of the eighteen provinces left China to complete their studies under Japanese tutelage during the few months preceding the outbreak of the present war. China appeared as pro-Japanese as she dared for the time being.

By the end of 1903 the outlook was deemed so

gloomy by the Chinese Government that after its usual wont it began to ask its numerous official and private advisers what it should do in the event of hostilities taking place. There is something curiously comical in the terrible anxiety of Chinese officialdom when anything of the nature of a national settling-day appears to be approaching: everybody's opinion is then asked for and eagerly listened to, and at the appointed hour, pouring all the combined wisdom of countless memoranda into one boiling pot, the Government ladles out when necessary a compound mixture for its use in which every drug of Western and Eastern pharmacopœia is hopelessly mixed, blandly supposing that with everyone "a little satisfied," it will be finally able to forget these foreign relations and sleep again until next time.

However, in spite of such drawbacks the outbreak of war found China in a better position to meet the situation than had been the case for a number of years. She was to be strictly neutral: the territory west of the Liao river was declared to be outside the area of hostilities: in a word, the Japanese and Russians might fight it out to their hearts' content without disturbing the Government until the end came.

The victorious progress of the Japanese during 1904, a progress which in spite of many miscalculations showed that it was an irresistible movement, both charmed and disturbed the Chinese. With the fall of Port Arthur, the debatable question of what was going to happen to the famous leased territory

caused them great anxiety and became uppermost in their mind, and in 1905 the occupation of Moukden made it patent to them that another vital question, the administration of Southern Manchuria, would soon have to be solved. Although the Chinese have never been a military race in the strict sense of the word, they have always been a remarkably sensible one, and the Japanese prowess in the field having impressed them very mightily, they have lost no time in asking themselves how best they can take advantage of the special qualities which the Japanese possess; thus perhaps altering the unsatisfactory nature of the relations which until quite recently it was popularly supposed must be endured passively for many years to come. But whilst attention was directed towards this point, it was felt that it was too soon to take any definite decision, and that it would be best to go slowly, and allow the actual results of the war to become clearer before adopting an attitude which might compromise the Peking Government in the same unfortunate manner as the too hasty decisions arrived at after the 1894—1895 war actually did. There are so many difficult factors in the whole situation that it is now quite certain China will take no initiative until she can do so in absolute safety and calm.

Meanwhile, as Japanese prestige has risen in this halting fashion in Peking, so has Russian prestige sunk: but in spite of everything the Chinese Government cannot forget that if Russia is driven out of Manchuria and off the Pacific littoral, it is

Mongolia and the New Dominion (Turkestan) on which pressure will be brought by the great Muscovite Power, and that Japan's gain may eventually prove China's loss. Thus, although the old Peking attitude towards Russia and Japan has been modified out of all recognition, and although Japanese influence along the coasts and great waterways of the eighteen provinces has increased three- or four-fold: though the press and publishing trade have come more and more under Japanese influence; and finally, although many of the high metropolitan and provincial officials are pronounced Japophils—with all these things in her favour, I would say that it will require the greatest delicacy, the most firm but magnanimous policy, and the most far-seeing and liberal treatment on the part of Japan to extract the full value which these remarkable years should give. The greatest danger for Japan after the war may ultimately come from China herself, by the same simple process which took place after the Chino-Japanese war. Then Russia stepped forward into the place vacated by China, and although it is nonsensical to speak of China being able to play the same part at the present moment, in the Eastern countries the future is a closed Book into which no eyes may peer, but in which undreamt of dramas are already written. And if China reforms, as she indeed must and is reforming, she will be a great Power able to count on millions of hardy soldiery who require but leaders and discipline to die like the Japanese.

The Chinese question will therefore not be so easily solved as the Russian by Japan, even though the latter costs three thousand million yen and two hundred thousand lives. That Japan will ever be able to control China completely is a vain dream : she may exert a great influence for a space, but China for the Chinese applies as much to Japan as it does to any of the Western Powers. It may be that only a partial Japanese success against Russia will ultimately make more for the latter's good than a grand uninterrupted success. But of this more anon the present pages having sufficed to trace rapidly the main aspects of a mighty question.

CHAPTER XXXI

FRANCO-BELGIAN SCHEMING IN THE FAR EAST

IN these days of necessary *rapprochements*, brought about indirectly by the epoch-making events of the Far East, it may seem both unfriendly and impolitic to sound a discordant note; but as only a frank and fearless discussion of every phase of Far Eastern affairs can give all the light that is absolutely essential to understand the immense number of friction-points still existing, that discussion must continue until the natural end is reached even at the risk of wounding delicate susceptibilities. A word of history is first necessary to give a requisite perspective to the subject of France and Belgium in the Far East.

It was not until Napoleon III. had succeeded in persuading the French people that an Empire was really better for them than a Republic that French action in the Far East began to become a somewhat important factor. The short and ill-timed alliance between England and France during the Crimean war gave birth to a friendship between these two Powers in the Far East, destined to endure a number

of years until it spluttered out owing to the re-shifting of forces on the Continent after disastrous 1870. It is not uninteresting to note that Russia was the indirect cause of bringing France and England together in the Far East exactly half a century ago, and that, decades after, Russia was indirectly responsible for an unfortunate separation.

The echo of the Crimean war resounded in the extreme East in a curious manner. On the 28th August, 1854, the Anglo-French squadron appeared off Petropavlovsk in Kamschatka, then one of the most important Russian Pacific settlements, and began a vigorous bombardment by way of intimating that hostilities begun in the Crimea now extended all over the world. The assault which followed this bombardment was, however, beaten back with heavy losses, and the Allies, much humiliated, retired, leaving the Russians still in possession of their Pacific sea-board. Later on during the Crimean war other attempts were made by Anglo-French squadrons to damage these Russian stations on the Pacific, but only trifling successes hardly worthy of the name attended these ventures in such northerly latitudes, and the Russians began to imagine that they were impregnable here.

The end of the Crimean war found a number of French vessels still in the Far East, where they were forced to use Hongkong as a base. The capture of Canton in 1857 as one of the important results of England's second China war (the *Arrow* war)

saw these French vessels, although they were in no-wise concerned with Indian opium troubles, tacitly helping the British. The immediate result was that one of the three officers selected by the British High Commissioner to carry on the provincial Government established at Canton was a French naval officer. This is probably the first instance of Anglo-French co-operation in Chinese affairs.

In 1860 the English and the French openly co-operated on their famous march to Peking. Thirteen thousand British troops and seven thousand Frenchmen, after many delays, finally encamped under the great Tartar walls of the Chinese capital, sacked the beautiful Summer Palace, and secured the ratification of the Tientsien Treaties of 1858, together with the right of European Plenipotentiaries to reside within the gates of the Manchu city. It is important to point out that in 1858 the French and American Commissioners had merely accompanied the Lord Elgin expedition to Tientsien under British protection, and that it was therefore England who directly helped other nations to secure the same rights as herself in China. These points are worth remembering at the present moment.

After 1860 there was a long peace for China not broken until the French war of 1884 ; but whilst there was actual quiet for two decades and a half, French action on the Southern confines of the Chinese Empire did not escape the notice of Peking. It is necessary to refer rapidly to these things.

On the 17th February, 1859, a French fleet, co-

operating with some Spanish vessels, had anchored off Saigon and nominally conquered all Cochin China—which still acknowledged a vague Chinese suzerainty. It was not until 1862, however, that France formally occupied certain provinces of this territory and obtained their surrender by treaty. In 1867 more provinces were annexed, and from that date it became clear that the French advance towards the Red River—the boundary-line river of Southern China—was merely a matter of time. In other words, the French were then being drawn farther North by the same magnetism which was influencing everybody else in the Far East.

After the disastrous Prussian war of 1870, the enthusiasm for a Colonial Empire became so pronounced that, using Saigon as a base, the French authorities attempted to extend their influence over the neighbouring provinces of Tonkin. Annam, which included Tonkin within its territory, being still a feudatory State of China, it was not long before the King of Annam reported to Peking the attempts which the French were continually making to extend their influence over his northern province—Tonkin—in order finally to gain complete possession of it.

For ten years matters remained more or less in abeyance, but in 1884 French corps began to move North again from Cochin China. The Chinese immediately protested, and whilst the invading troops were marching the much discussed Fournier Treaty was signed, in which the Chinese promised

to withdraw their troops from the whole of the kingdom of Annam, in return for certain definite arrangements on the part of France. An unfortunate misunderstanding arose regarding the date of the arrangements made, and as no news of these negotiations was conveyed to the French Commander in the field, his detachments advancing on the town of Langson near the Chinese frontier became engaged with a determined Chinese army. The Chinese boldly taking the offensive completely routed the French, who were only saved from annihilation by the gallant action of some chasseurs d'Afrique.

After this peace was impossible, and in 1885 the French set earnestly to work to repair the damage done their prestige. General Négrier took the field with a large force, and after some difficulty captured the stronghold of Langson, while Admiral Courbet destroyed the Chinese fleet anchored at Foochow. Ill-success, however, seemed still to dog French footsteps, for Admiral Courbet was driven off from the Formosan forts which he subsequently attacked, and Négrier forced to evacuate Langson. As both countries became heartily tired of this style of warfare, peace was arranged by Sir Robert Hart, and a treaty ending hostilities signed on the 9th June, 1885. Under the terms of this treaty it was clear that the whole of Tonkin had become virtually a French province, although French influence was nominally confined to the Protectorate which exists to this day. The King of Annam became one of

those interesting personages who no longer count in their country's affairs.

These events, the conclusion of the Franco-Russian Alliance, and the manner in which France succeeded in persuading China to transfer territories adjoining the Burmese-Siamese frontier in defiance of a prior arrangement with England, completely severed France and England in the Far East, and left the some-time allies, if not bitter enemies, at least keen rivals. Thirty years' treaty intercourse with China had shown that British and French ideals in Eastern policies were fundamentally opposed.

It was whilst things were in this condition that the Japanese war with China occurred, and that the three-Power intervention, depriving Japan of some of the fruits of her victory, tended further to separate England and France. For although England, quite rightly, was not prepared to support Japan in her demand for the Liaotung territory, she could not disguise the fact that the Franco-Russo-German intervention was a bird of ill-omen.

Events quickly proved the truth of these suspicions. Russia going rapidly to work, succeeded, with the help of her allies, but more particularly with the help of French capital, in changing entirely the Far Eastern situation. It was some years before the main features of the vast programme Russia had outlined, and the part everyone was to play, could be discerned; for whilst Russian dreams and hopes were not carefully hidden as they should have been, the realisation of these things depended greatly on

the fortuitous aid the march of events elsewhere lent. But it seems quite certain that from the year 1895 certain principles were decided on, and that France had then received explicit assurances from Russia about matters intimately connected with the development of the Indo-Chinese Empire. The promptitude with which France found the necessary funds for Russia to finance the first part of the Chinese indemnity imposed by the disastrous Japanese war, and the almost immediate appearance in the Far East of numberless French and Belgian financial agents, make it indeed quite certain that a definite plan had been adopted for the treatment of the whole Far East, almost identical to that fixed on in the organisation of the now well-known Russo-Chinese Bank. In other words, whilst Russia was the real Power behind the ingenious masks set up to cover the indefatigable scheming of innumerable agents, France was to supply the funds and ultimately to share in the fruits of empire-building extraordinary.

It was now that that interesting little country, Belgium, which almost escapes notice in Europe, made its bow of ceremony on the Far Eastern stage, prepared to play the unlovely yet profitable part of jackal to the greater Continental Powers. It would be impossible without spending much time to detail fully the reasons which prompted this unforeseen introduction of a prolific country on a much overcrowded international stage. But, briefly, it may be said that in world politics as in family affairs

les convenances have to be more or less respected, and the events of 1894 and 1895 had left such a severe frown on the still impressive features of England that nobody was very happy. The state of mind of Englishmen in the Far East was then indeed a complex one, for they had been irritated by both what had happened and what had not happened.

When war broke out between China and Japan, Englishmen and their Far Eastern press were strongly pro-Chinese. When China was defeated, they were angry; when Japan proposed to take the Liaotung and the British-opened treaty-port of Newchwang, they were furious; when the intervention and retrocession took place, they were relieved but again irritated; and, finally, by the time the triplicate of Powers were casting about for ideas regarding the rewards they might claim for the help they had given China, they were alarmed. The growing conviction that only minor *rôles* would be reserved in future for England in the Far East did nothing to stay the growing storm in public opinion. The publication of the Cassini Convention was the final blow, and after that the Continental Powers knew from the utterances made both in the press and public places that they would have to deal with a bitter British enmity in the Far East in developing the details of empire-building.

Under these circumstances, the introduction of Belgium was a clever move. The sapient diplomats of the Continent knew full well how slow

public opinion invariably is at grasping essentials in far-off countries, and how unable it is generally to probe below the surface of things and see clearly ; and, in any case, the farce of an unimportant Belgium acquiring "interests" in the Far East would do for a few years. After that, it probably would not matter much whether people in general realised what was happening in the ancient Empire of China. Events have partly justified this belief.

The three years from 1895 to 1898 saw so many things occur that it was some time before a distinct Franco-Belgian programme was discernible—a programme which was really always more than three-quarters French, although sometimes apparently entirely Belgo-Russian to suit the exigencies of the situation. As has already been fully written, the entire Cassini programme for Manchuria and North China had been completely recast by 1896. The Russo-Chinese Bank, established in December, 1895, secured in 1896 the concession for building the trans-Manchurian Railway. This was a perfectly open and frankly-acknowledged concession and did not excite much comment, as it appeared as if Russia had been frightened out of the execution of the whole Cassini programme.

But elsewhere other things were being hatched out. In October, 1896, the construction of the Canton to Peking Grand Trunk Railway had been finally authorised by the Throne, and certain high officials of the Li Hung Chang party had been instructed to collect the necessary funds. The

natural thing happened. The Chinese officials concerned reported that it was impossible to raise sufficient money to warrant the actual commencement of the enterprise. Li Hung Chang on his voyage to Russia and elsewhere had dropped hints which were not allowed to be forgotten. In May, 1897, it was suddenly learnt with dismay that a Belgian Syndicate, bearing the euphonious name of "La Société d'Étude des Chemins de Fer en Chine," had secured the right to construct half of the Grand Trunk, *i.e.*, the 800 important miles between Hankow, the Harbin of the Yangtze Valley, and Peking, the arbiter of all China. It was but natural that a tremendous uproar should have greeted the news of the granting of this concession, and so moved did even England's passionless Foreign Office become that, as a counter-blast, the Chinese Government was forced to grant the right of building the Tientsin-Chinkiang line to English capitalists and to sanction the railway demands of the big Peking Syndicate—things which will be dealt with elsewhere.

The real aspect of these railway concessions has already been so fully written on in this volume that it is almost unnecessary to say anything further regarding the peculiarity of these strange politico-financial arrangements. In the case of the Hankow-Peking Railway it is now amply clear that it was not for the five per cent. interest which the railway bonds carry that the Belgians were so persistent in their demands. The fact that the prospectus of the

concessionnaire Syndicate was issued simultaneously in Paris and Brussels ; that the Paris office soon proved of more importance than the Brussels one ; that the majority of bonds were taken up by the powerful banks of the French capital ; and finally that it was the Russo-Chinese bank in whose hands were placed the banking of the Syndicate's funds in China and the organisation of the debenture service—all these things proved conclusively that Brussels was but a convenient label, and that beneath that name much was concealed. Indeed, a scrutiny of certain " lists " reveals the following interesting facts : That the great Paris banks which finance the Russian loans are the identical banks which found the funds for the establishment of the Russo-Chinese Bank ; that these banks undertook the successive issues of the Hankow-Peking Railway Loans ; that once the railway funds were collected they were handed over to the Russo-Chinese Bank ; and that these and other things enabled continuous profits to be made by exchange operations, and practically to return to Continental capitalists in either paper profits or hard cash the greater portion of that which they had lent. The highly fortunate position of the great Paris banks will be apparent, and the readiness of Continental financiers to find funds immediately for any Far Eastern enterprise will be doubly clear. For nothing but profits surround these people—profits that keep on repeating themselves as French gold slips from the stocking and pocket of peasant and shopkeeper into banks, and from the banks to

the East, there to be juggled with until there is nothing more to be made.

With this Hankow-Peking railway firmly in their hands, the so-called Belgian group made desperate and persistent efforts to secure the Hankow-Canton line ; but for the time being at least such attempts were a complete failure. The powerful American combination, headed by Senators Washburn and Cary and the late Senator Brice, and backed by both the American and British Legations in Peking, secured the Southern half of the grand Chinese trunk-line in the teeth of Continental opposition.

And during 1898 the three countries which had intervened in 1895 secured their reward from China. Germany received Kiaochow with railway and mining rights ; Russia the lease of Port Arthur and Talienwan and the right to continue the Manchurian railway to these ports ; whilst France obtained the lease of Kwangchow-wan and certain railway rights of the utmost strategic importance. The bay of Kwangchow provided a fine anchorage in Southern Kwangtung which, linked with Indo-China at some future date, would entitle France to lay claim to the island of Hainan, on which is the treaty-port of Hoïhow, and also to seize Pakhoi and the fertile regions surrounding, but two hundred miles from Canton. And now for the first time the main features of the Belgo-French alliance began to stand out clearly. For in the years which had elapsed since the 1884-1885 war with China, the French colonies along the Chinese frontier had been organised and

improved in a remarkable manner, considering the climatic difficulties which had to be overcome. Grouped together by a decree of 1898, the territories of Tonkin, Annam, Cochin China, Cambodia, and Laos had been formed into a colonial empire worthy of the name of Indo-China. With a budget amounting to nearly £2,000,000 per annum and a population of some eighteen million natives, these colonies had acquired an importance undreamed of in the days of the Second Empire. The seat of the Governor General had been moved from Saigon in Cochin China to Hanoi in Tonkin; the army had been increased and a railway running from North to South had been authorised. And somewhat previous to the re-organisation of these important colonies, arrangements had already been made with pliant China, granting France the right to construct the Laokay-Yunnanfu railway, a line which would link the French frontier with the capital of the border province of Yunnan, reputed so rich in minerals.

By the lease of Kwangchow-wan and under authority of separate agreements, the Hanoi-Langson railway could be extended to Lungchow and from thence, on a further application being made, to Nanningfu, Pakhoi, and Kwangchow. The value of these concessions had long been clear to the leaders of the French colonial policy, and the loan of £8,000,000, authorised by the French Chambers for the construction of what may be termed Franco-Chinese railways, was vastly over-

subscribed by the French investing public, aroused to enthusiasm by patriotic speeches outlining the position to which France might rise in the extreme Orient if only her actions were consistent and continuous. These eight millions sterling were to be applied to build the railways in Indo-China and those running into China itself.

Examination of the course of the French railways projected in 1898 discloses two distant but distinct objectives. The immediate objective of the first line (the Hanoi-Laokai-Mengtzu-Yunnanfu line) would at first appear to be the provincial capital of Yunnan (Yunnanfu); but although Yunnanfu is for the time being the terminus, it is only a question of opportunity and diplomacy for an extension of the line to take place immediately. Whither would this extension lead? To no other place than the province of Szechuan and the upper Yangtsze. This can be very rapidly explained in a manner which is self-evident.

From the frontier point, Laokai, the distance to Yunnanfu is exactly 445·5 kilometres, or say 275 miles of rail. The gauge used by the French engineers is the narrow one-metre gauge, so useful and so easy to construct in mountainous country. From Yunnanfu to Suifu, the highest navigable point on the upper Yangtsze, the distance by rail would be approximately but three hundred miles. Although there are mountainous ranges to be crossed and some engineering difficulties to be negotiated, all opinions are agreed that the French one-metre

railway could be carried with great rapidity from Yunnanfu to Suifu. In this connection it is important to note that English expert opinion acknowledges the correctness of the French view that the Laokay-Red River route is the most practical road by which to penetrate the important but distant province of Szechuan. Yunnanfu, the capital of the province of the same name, is but a few dozen miles distant from the Szechuan boundary line ; and once the French railway is completed Yunnanfu will be brought within 847 kilometres, or 530 miles, of the French seaboard, making Haiphong, it is hoped, the outlet of all the trade of Western China.¹

The cost of these railways being very heavy, working out as it does to no less than 190,000 francs per kilometre, or say £12,000 per mile, makes the excessively light rates which will be charged even more significant. Yunnanfu merchants may be counted on to avail themselves of the exceptional

¹ In this connection it is worthy of note that the passenger tariff of this railway is probably the lowest in the world. Thus, from Hanoi, the administrative capital of Indo-China, to Mengtse, a Yunnan mart open to international trade and developing very rapidly, the first class fare is but 9'50 francs, whilst third class passengers pay but 3'50 francs. The entire distance from Haiphong to Yunnanfu, 847 kilometres, can be covered for 16'90 francs in the first class carriages and for 6'35 francs in the third class. In other words, for the sum of Mexican \$2'60, the Chinese merchant will be able to reach the sea-board of a French colony from the capital of one of the most isolated provinces of China, Yunnan. This is a very important result, but all does not end here. For once French railways have carried the gentleman in question at such phenomenally cheap rates to the sea, French steamers will be prepared to place him and his goods on shore at Hongkong and Canton at equally low rates and thus deflect trade from its present channels to the advantage of France and the detriment of England.

facilities offered them, because they will escape all Chinese inland taxation and likin levies by exporting under cover of the Foreign Customs and recovering by drawback on re-importing at a Chinese port in the original packages. And as the frontier of the rich and practically virgin province of Szechuan is only a few miles (as distances go in the East) from the site of the present French terminus, it will not be long before a provisional line is pushed on to Tung-chuan-fu, a prefectural city a few miles from the Szechuan border ; from thence on to Chau-tung-fu, another important prefectural city, and still farther until Suifu is finally reached. This extension may prove very costly, as the mountainous nature of the country is very pronounced, and the elevation is often from 6,000 to 7,000 feet above sea level. But the fact, that the entire route has already been surveyed and that the one-metre gauge used here in Southern China was mainly decided on as the only one which could be carried with advantage into Szechuan, are matters which prove that a very long-sighted policy has been adopted throughout by the French colonial authorities responsible for the whole undertaking.

For Suifu is but a stepping-stone to Chungking, the treaty port on the Yangtze, which is 1,400 miles from Shanghai, and is cut off from all possibility of steam navigation by the formidable rapids above Ichang. Suifu would be but 160 miles from Chungking by rail, and if the French railway could be extended as far as this riverine treaty-port, the

upper Yangtsze could be reached from the Tonkin part of Haiphong in sixty hours. This is a strong contrast to the four weeks' difficult journey from Shanghai by steamer and junk, which at present raises everything to a prohibitive price and effectively isolates Szechuan. Assuming that the French railway fares are fixed on the same basis as on the Haiphong-Yunnanfu section, the Chinese third-class passenger for the sum of Mexican \$6 or \$7 (say fourteen shillings) might cover the entire distance in ease and comfort in less than three days.

That all this is not merely an impossible dream is amply proved by the fact that the French have brought gun-boats over the Yangtsze rapids to Chungking, have established Consulates and commercial houses already in Szechuan out of all proportion to their actual interests or needs, and have quite a number of agents busily investigating affairs in this province which possesses a population largely exceeding that of France. At Cheng-tu, the provincial capital of Szechuan, the French Consul-General and his official and unofficial staff are always busy, and the Cheng-tu railway, destined in the fond hopes of the French Colonial party to meet the Peking-Hankow railway at Hankow, is constantly spoken of at the Yamen of the Szechuan Viceroy as something which will be not so long in coming as people expect.

The magnitude of the French programme will now be apparent. And yet there is nothing very exceptional in all this. For when a Power with

almost totally undeveloped resources like Russia can spend, as she has spent, at least £150,000,000 sterling on the Siberian and Manchurian railways, it is not strange that rich France, with her enormous savings, should be willing to invest a third of that sum in enterprises that will prove remunerative, and will consolidate and ultimately extend the frontiers and resources of the now important Empire of Indo-China.

But this is not all. It will be remembered that from Hanoi, the capital of Tonkin, a second line has been spoken of as leaving for Chinese territory—the Hanoi-Langson-Lungchow Railway. This strategic railway is already in fair way of being entirely completed, and the extension to Nanningfu, Pakhoi, and the leased port and territory of Kwangchow-wan, will shortly be taken in hand. Even when this extension is completed, the last word will not have been spoken in this direction. Kwangchow-wan will be at last linked with Indo-China, but French ambition will not be so easily satisfied, for in 1898 France did not take the leased territory for nothing. What other extension must follow? Nothing less than the building of the Nanning-fu-Wuchow-Samshui line. In other words Hanoi, the capital of Tonkin and all Indo-China, will be connected by rail with Canton, by far the most important city of Southern China.

What has already been written about Belgian railway intriguing will now be clear. It is absolutely essential, in order to complete the pro-

gramme which I have called the Franco-Belgium programme, that under some form or other the building and direction of the Canton-Hankow line shall be wrested from American hands. It is for this and for no other reason that the violent and persistent efforts I have attempted to record have been made in the past to prevent at all costs the construction of the Canton-Hankow line, until the Belgian agents had secured a controlling interest in the American Company. When they first thought that this might be difficult they blocked construction until it was impossible for the American Company to carry out their building contract. Now they openly state that the railway is theirs, owing both to the lapsing of the first contract, and the preferential claim Brussels possesses under a separate agreement with the Director-General of Chinese railways, and to the fact that they have succeeded in purchasing a controlling interest. In three years' time the only part built of the southern half of the Chinese grand trunk line is the Canton-Samshui branch, and this short line is said to have cost £400,000 sterling!

Summing up, it will be then seen that the total kilometrage which the French Colonial leaders hope to control ultimately in Chinese territory amounts to more than six thousand kilometres, or say three thousand eight hundred miles.¹

¹ This is made up exactly in the manner described below, which it will be convenient to divide up into lines already conceded and those only planned. In the first category fall the Hankow-Peking line, 1,200 kilometres; the Laokai-Yunnanfu line, 445.5 kilometres; the

If certain necessary extensions were built, the total will be far greater than 6,000 kilometres. Placing the average cost of the entire system at the high figure of £8,000 per kilometre, a total expenditure of £48,000,000, spread over fifteen years, is only required to place France in the most advantageous position she could possibly wish to occupy in the Far East, and to embarrass the development of British trade in a most serious manner. There will be no pity for England when the day of reckoning comes for having entered into the Anglo-Japanese Alliance—an Alliance which is more detested by the Continent than anything Downing-street has accomplished for many decades. But it may appear that forty eight millions of money is an impossible sum to mention. When it is remembered that eight millions have already been raised for the Peking line, another eight millions for the Yunnan and Indo-China lines, a million or two for the Honan line, and that the so-called Belgian group is prepared to put the entire sum necessary for the Canton line

Langson-Lungchow-Nanningfu-Pakhoi-Kwangchow-wan line, say 600 kilometres ; the Honanfu-Kaifengfu line, 300 kilometres ; or a total of 2545·5 kilometres. Taking them in their order of probability the remaining lines read as follows : the Yunnanfu-Saifu-Chungking section, say 850 kilometres ; the Nanning-Wuchow-Samshui section, say 800 kilometres ; the Canton-Hankow line, say 1,000 kilometres ; and finally the Chengtu-Hankow line, say 900 kilometres or a total of 3550 kilometres. Adding the two categories together the grand total is upwards of 5,000 kilometres. No mention is made in this estimate of the branch lines and feeders which must inevitably follow when this big plan is put into operation, e.g. the branch line from Yunnanfu into Kueichau province, where the French already have mining interests ; a linking-up of Chengtu with Chungking, etc., etc.

on the table the minuté it is called for, the whole question assumes a much more practical aspect. The sum mentioned is after all less than a third of what Russia has spent during the past decade in railway building, and seeing that its investment would place France in the Far East in a position to cut off England from India—by closing the land-route—and would not clash with Russian or German plans in the slightest, it is a mere question of opportunity and time to see a vigorous attempt to carry out the whole scheme in its entirety.

In the way of this extensive programme England and the Anglo-Japanese Alliance alone stand. But whilst the rapid sketch which has been made may be rated as an unsympathetic one, it is in no hostile spirit that it has been written, for it is with France rather with any other European Power in the Far East that it may soon become necessary, nay imperative, to come to a firm and frank understanding. To this view even the Japanese may come, but it is too soon to speak with any authority on such a subject. For the time being, Russia's complete discomfiture has prevented much progress being made, although the grand programme lies unaltered. To combat all this vast railway intrigue there is but one method possible, which will be presently referred to. For the time being it is sufficient to note that the intrigue only slumbers, and that only a fight to the finish in the present Titanic struggle will convince Colonial enthusiasts

that the days are over when Chinese territory may be bitten off in slices to suit every taste.

Note.—The arrival of the Baltic fleet in Indo-China waters, and the peculiar demeanour of the French Colonial Government, a demeanour arousing universal comment at the present moment, puts what has been written above in a curious light.

CHAPTER XXXII

THE PECULIAR ATTITUDE OF THE UNITED STATES

AMERICAN relations with China began shortly after the revolutionary war. The first recorded facts date from the season of 1784—1785 when two American ships, the *Empress of China* and the *Pallas*, both of Boston, loaded at Canton for the United States. Between them they carried a million pounds of that fateful cargo, tea, then no longer in any danger of being thrown overboard; and rich silks to grace the backs of revolutionary daughters formed the rest of their shipments. Two years later there were six stout New England vessels engaged in the Canton trade, and their varied names, *Hope*, *Experiment*, *Grand Turk*, *Jenny*, *Washington*, and *Asia*, conjure up visions of pig-tailed sailors adorned with earrings treading the snow-white decks, with creaking yards overhead and speaking figure-heads peering into the bouncing billows of the Yellow Sea.

As time went on and Napoleonic wars helped to bring into existence more and more American shipping, which took up the carrying trade with

Continental ports whilst those ports were half-closed by the gigantic struggle for maritime supremacy raging between England and Europe, the China trade expanded likewise in a most astonishing fashion. The end of the French wars and the second American war with England, threw more and more American shipping into the China trade, until merchantmen that had been formerly numbered by twos and threes grew into dozens. Thus in the season of 1832—1833 there were fifty-nine American ships at anchor at Canton loaded with metals, chintzes, cambrics, velvets, bombazettes, and fancy handkerchiefs, and carrying great stores of silver with which to pay for their large purchases of tea and silk. By 1834 the trade was valued at over \$17,000,000 gold and had reached its pre-treaty zenith.

Whilst things were on this satisfactory commercial basis England's collisions with China, mainly over the opium question, began. It was not until the 'thirties had passed into the 'forties, and that the China coasts had been bombarded from Canton far up the Yangtsze, and the first modern treaty, the Treaty of Nanking, signed, that American trade entered on its second phase.

The announcement of the English Treaty with China caused a great sensation in both America and Europe, for the vast Hermit Empire which had hitherto successfully confined foreign trade to a single open-door, Canton, had been at last forced to throw open four additional marts to international

commerce, the most northerly of which, Shanghai, tapped the immense Yangtze regions ; and fabulous speculations were rife as to the riches which would be gained by those who had the handling of this trade. Under such circumstances the Government of the United States lost no time in appointing a plenipotentiary who, armed with the fullest powers and the most explicit instructions, was charged with concluding a treaty on the same lines as the British Instrument. One Caleb Cushing was chosen, and the letter which he bore from the President of the United States to the Emperor of China is such interesting reading as an example of the singular mixture of patronising and deprecatory address then deemed necessary for the Manchu sovereign, who was still a Grand Khan or Great Mogul in the eyes of most Western nations, that no apology is needed for its insertion in full. The document runs :

"I, John Tyler, President of the United States of America—which States are: Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, Vermont, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Kentucky, Tennessee, Ohio, Louisiana, Indiana, Mississippi, Illinois, Alabama, Missouri, Arkansas and Michigan—send you this letter of peace and friendship, signed by my own hand.

I hope your health is good. China is a great Empire extending over a great part of the world. The Chinese are numerous. You have millions and millions of subjects. The twenty-six United States are as large as China, though our people are not so numerous. The rising sun

looks upon the great mountains and rivers of China, when he sets he looks upon rivers and mountains equally large in the United States. Our territories extend from one great ocean to the other ; and on the west we are divided from your dominions only by the sea. Leaving the mouth of one of our great rivers and going constantly towards the setting sun, we sail to Japan and the Yellow Sea.

Now my words are that the Governments of two such great countries should be at peace. It is proper and according to the will of heaven that they should respect one another and act wisely. I therefore send to your Court Caleb Cushing, one of the wise and learned men of this country. On his first arrival in China he will inquire for your health. He has strict orders to go to your great city of Peking and there deliver this letter. He will have with him secretaries and interpreters.

The Chinese love to trade with our people and to sell them tea and silk for which our people pay silver and sometimes other articles. But if the Chinese and the Americans will trade, there shall be rules so that they shall not break your laws or our laws. Our minister Caleb Cushing is authorised to make a treaty to regulate trade. Let it be just. Let there be no unfair advantage on either side. Let the people trade not only at Canton, but also at Amoy, Ningpo, Shanghai, Fuchau and all other such places as may offer profitable exchanges both to China and the United States, provided they do not break your laws or our laws. We shall not take the part of evil-doers. We shall not uphold them that break your laws. Therefore we doubt not that you will be pleased that our messenger of peace with this letter in his hand shall come to Peking and there deliver it ; and that your great officers will by your order make a treaty with him to regulate affairs of trade—so that nothing may happen to disturb the peace between China and America. Let the treaty be signed by your own imperial hand. It shall be signed by mine and by the authorities of our great council, the Senate.

And so may your health be good, and may peace reign. Written at Washington, this twelfth day of July, in the year of our Lord one thousand eight hundred and forty three Your good friend (Seal)”

Leaving the sudden and somewhat unexpected inquiry after the Imperial health far behind, and abandoning the language of the early part of the document, which somehow smells oddly of Indian frontier warfare and of puritanical New England, the President comes to business in an admirable, if crude, fashion, and states his desires quite plainly. He wants access to all of the five ports opened by England, and says in so many words, although this may not be plain to the uninitiated in China history, that America does not want to be mixed up in the unlawful opium traffic of the wicked English, but that she is quite willing to slip in by the same door.

Thus, fully instructed, Mr. Caleb Cushing set sail for China in the good ship *Brandywine*, a name redolent of the old days, and in 1844 arrived off Canton. In July of the same year, unable in spite of Presidential instructions to proceed to Peking, he was pleased to conclude at Canton with the Viceroy Tsiyeng, a treaty of peace, amity, and commerce which, it must be confessed, was far in advance of its British predecessor. In its thirty-six clauses ample provision is made for every possible contingency which could then be foreseen, and for a period of sixteen years until the signature and ratification of the Tientsien Treaties, the Cushing-

Tsiyeng Convention served as the basis for the settlement of nearly all disputes arising between foreigners and Chinese.

But there is one curious provision. In Article XXXIII. citizens of the United States are expressly forbidden to deal in opium or any other contraband article of merchandise, and the clause goes on to say "that the United States will take measures to prevent their flag from being abused by the subjects of other nations as a cover for the violation of the laws of the Empire." No right-minded man can take exception to the general justness of this pronouncement, but without a full knowledge of the extremely complex opium question—a question which had engaged the best intellect in England during Lord Palmerston's tenure of office—it is impossible to understand the exact value of this clause. Briefly, this apparently insignificant article became in a way the *leit motif* of American policy in China for many years, and served to differentiate sharply the American attitude from that of all other Powers. In Articles XIV. and XV. of the Tientsien Treaty, the United States again refer to the same matter, and later on in the Immigration and Commercial Treaty of 1880, Article II. of the second part places an absolute prohibition on the opium traffic both to and from China.

This clause, which recurs so often, has been fixed upon as a mere illustration. It is itself unimportant, since it simply denied to American

merchantmen and traders the right to engage in an ever-diminishing trade ; but the motives which inspired it gave rise to the peculiar and distinct policy America has constantly followed in China for a period of fifty years, to the serious detriment of the real good of the country. For the United States in the person of successive Presidents and Secretaries of State have, as it were, approached China in this way and with these words : " Circumstances and a fortunate geographical position have given birth to a friendly trade between our two peoples, who must, in spite of everything, preserve a distinct attitude towards one another. Points of disagreement may arise between us, but we wish to insist on the fact that we approach the whole Chinese question from the only kind and noble point of view, and that any privileges granted us by no means entail any relinquishment of the Emperor of China's right of eminent domain or dominion over his lands and waters. . ." And if one continued the speech, one might add, *sotto voce*, " And, in spite of everything, we will maintain this attitude of friendly solicitude, and will not attempt to understand finesses, intrigues, or the actual conditions of an Eastern country, but we shall continue to proclaim that China is a sovereign international State. . . ." Had American shipping continued to expand after the 'forties and the conclusion of the first treaty in the way which had been so noticeable in the first decades of the nineteenth century, there is no saying what the main-

tenance of an attitude adapted only for intercourse between Western peoples, or those which have been thoroughly Europeanised, would have brought about. But the sudden decline and subsequent almost complete disappearance of the American flag from Chinese waters made the position of the United States in China for many years one of meagre importance, and did not make it necessary for Washington to speak again.

It was not until the Hon. Anson Burlingame, the United States Minister to Peking, suddenly decided to undertake his extraordinary diplomatic mission as special Chinese envoy to Europe and America that the American attitude once more merited attention. It is not necessary to enter into a long discussion of this Burlingame Mission, since it is but thirty-seven years since this grotesque attempt at placing China on the same footing as the Western Powers was made; but it is useful and enlightening to refer to the certain features.

In November of 1867 Mr. Burlingame suddenly resigned his post in Peking and accepted the so-called invitation of the Chinese Government to head a mission composed of two co-ordinate Chinese Ministers, an English and French secretary, six Chinese attachés, and a host of lesser fry. It is stated on good authority that Mr. Burlingame resigned his first appointment by telegraph, and, without waiting for an acceptance from the Washington Government, entered into a two years' agreement with the Chinese on a salary of £8,000 per annum

to undertake the mission which was to arouse so much attention.

The object of the mission may broadly be said to have been to assure the world that China was henceforth quite determined to enter into the comity of nations, and to reverse completely the foolish policy it had maintained for centuries in its intercourse with the West. In February, 1868, the party left Shanghai for America, and in a few months they were being welcomed by the President of the United States as heaven-sent messengers, the harbingers of a future so roseate that no man could possibly imagine it. In China, meanwhile, where the study of the Chinese Government and its ways proceeds daily amongst nearly all classes, serious doubts had already been thrown on the validity of the Mission's credentials, on the motives which had actuated the extraordinary course adopted, and finally misgivings had been expressed on account of the conceited and haughty wording of all the documents.

Mr. Burlingame's reception in America, however, left nothing to be desired. Americans, to whom the real East had until lately been a sealed book, were pleased to circulate fabulous reports concerning the benefits which were to accrue immediately to the Western world as a result of this masterly mission. China was to be thrown open completely and entirely as a direct result of the sapient American attitude; the introduction of railroads, steamers, telegraphs, and every modern invention was to come about immediately; the old and archaic were to

disappear instantly ; never had anything so wonderful been heard of. The President and the Secretary of State, Seward, vied with each other in offering their congratulations to the Emperor of China in exaggerated language, and the Mission was banqueted until it could eat no more. Then no sooner had it arrived in more sophisticated Europe than the doubts which were being still so forcibly expressed in China began to take definite shape. It was discovered that the powers of the Mission had been largely exaggerated, that the credentials borne addressed foreign potentates in derogatory terms, and finally that the two so-called Chinese plenipotentiaries were really men of inferior rank, and that the Chinese Government was probably laughing in its capacious sleeves. Of course, after that the Burlingame Mission ended in smoke, with but one American Treaty to its good, and Mr. Burlingame and his eight thousand a year and his plenipotentiary rank was known no more. The whole affair was a second illustration of the curious and crude American attitude where China was concerned, for no plenipotentiary of any other nationality could have been found willing to play the absurd part of a Chinese representative.

It was not until 1880 and the signature of the Chinese Emigration Treaty that the American Government began to show signs, unmistakable signs, that, however much it might like to continue expressing vague generalities concerning the eternal goodwill which must, and should, exist, and

attempting to base its policy on such unstable and illusory declarations, a practicable manner of dealing with problems of the day would have to be resorted to whenever found necessary. The 1880 Treaty gave the warning note on the subject of Chinese immigration whenever necessary ; and in 1894, in spite of the storm of opposition roused in China, the entry of Chinese labourers into the United States was absolutely prohibited.

It had taken, therefore, fifty years exactly to see the Washington Government forced by the logic of events to act for once in the decisive and determined manner which had been the chief characteristic of British policy in the Far East so long as Lord Palmerston and his traditions remained the beacons which guided Anglo-Chinese intercourse. Up till then the idea had been allowed to grow up in the minds of Chinese officials that America was a species of protector of oppressed peoples ; that her revolt against England under the Georges was an earnest of the course of action which the States, united and indivisible, would follow for all time in the face of all difficulties should they be challenged in any part of the world ; and that, therefore, China would be taken under the far-spread wings of the eagle. The exclusion Treaty upset all that.

It had not been hard for this idea, so foolish to any whose business it is to analyse cause and effect in the East, to spread far and wide in China until it was a more or less accepted doctrine ; for the American Legation and the few American Consu-

lates in China were for so many years practically at the mercy of missionary-interpreters (other suitable candidates failing) that it was through their hands that intercourse with the officials of Central and Provincial Governments was conducted. Admirable as may be the religious convictions of such men, they never have been, nor will they ever be, fit persons to undertake the solution of the complex question of Chinese relations. What is excellent in religion is absurd in diplomacy and politics ; and it is this half-missionary, half-freedom-to-the-oppressed-Chinese-people policy which has done much to complicate the most entangled question in the whole world, and has caused the United States to play a meaningless part. The American missionaries of the post-treaty period were almost all imbued with the idea that the so-called opium and other wars of Great Britain had all been unjust wars, waged for the purpose of despoiling the heathen Chinaman, and that one of their first objects must be to correct the conceptions which had taken root in Chinese minds of Western things and men. But American protestations only remained protestations ; there was never any inclination to act.

In spite of all this, it may be said that just as the 1894-1895 Japanese war marks a definite period in the relations of all the great European Powers with China, so do the United States seem to have then felt doubts about the advisability of continuing in the old way. For, after a period covering several

decades, during which American trade and shipping in China had seriously declined owing to causes foreign to the subject under discussion, the natural rebound had begun to take place. Steamers flying the Stars and Stripes sailing from the Pacific seaboard increased surprisingly in numbers and tonnage; the coarser counts of cottons, produced at prices which defied competition, found increasing favour with the Northern Chinese, with whom durability and toughness are the first considerations; the habit of eating flour, formerly almost unknown amongst the Southern Chinese, but learnt in California, called for increasing quantities of this article; and kerosene and lumber completed the list. And whilst these things flowed into the country, from China the despised China teas, hides and skins, and silks, raw and spun, flowed back. This healthy and steady growth in trade, although contributing to a modification of the original attitude, did not succeed in destroying entirely the fundamental idea still cherished in Washington, that China was the country over which the United States extended a species of moral protection, perhaps tangible and sane in the eyes of American statesmen, but vague, absurd, and, above all, weak in the eyes of those who, living on Chinese territory, leased or otherwise, saw only the actual results, and did not experience the complacency and satisfaction which the enunciation of high sounding declarations of no practical value on the Chinese question would appear to give.

And although American residents and merchants in China showed increasing displeasure and animosity towards the American Consular system, which foisted on China men who were in no way qualified for such duties, and who simply saw in their appointments a tangible reward for services rendered in home politics, the system remained in force, and the United States Minister in Peking continued to be at the mercy of the missionary vote which made of him a mere chief missionary, tainted by missionary ideas, instead of the proud representative of a great Republic.

It must have been the surviving remnant of this traditional attitude which was mainly responsible for the refusal of the American Admiral in June, 1900, to participate in the bombardment and attack on the Taku forts, making him give as his excuse that as a state of war did not exist between his country and China, such a course would be quite impossible for him to adopt. Severe blame has been lavished in China on the Admiral in question, but it is well to remember that such blame should fall, not on his shoulders, but on those of the Washington Administration who have so long supposed that misplaced kindness will one day have its own reward. No one who is gifted with common sense can advocate for one moment the fatuous policy of international co-operation in China, which has been supposed to exist and govern the actions of all the Powers in the Far East since 1900; but when the lives of every European in Peking and Tientsien were at

stake, it was no time to remember Mr. John Tyler and his doctrinaire ideas on the subject of Chinese relations. The Philippines must be teaching a good deal about the East which Americans would not have believed ten years ago. But if 1900 did nothing else it must have at least taught the Washington State Department the value to be set upon the specious declarations of Chinese Ministers abroad. The unfortunate discrepancy existing between Wu Ting Fang's declarations at the time of the greatest suspense and the actual state of affairs in Peking during the Boxer year, must have shown the American Government one thing—that only the closest and most intelligent watchfulness in China itself, backed by a sensible and sound policy at home, are sufficient to gauge and keep touch with the Chinese problem, and that a general attitude of commiseration for China is not only foolish but may become criminal.

It is only, therefore, now after a lengthy period of probation, that a change is to be discerned, although that change is not marked as China's well-wishers would like to see. This long period of probation has shown that the Continent of Europe is determined to act in China, when circumstances permit, as if entire dismemberment is inevitable, and that partial dismemberment, already begun, is to be continued in the near future. Circular Notes to the Powers, however much they may call forth admiration in the daily press, are of no avail unless the fundamental policy is a sound and consistent

one. The last American Treaty of October, 1903, which threw open two Manchurian ports to international trade in the teeth of a Russian opposition, did nothing to stop the Russo-Japanese struggle. If that treaty had been more sweeping in its provisions ; if it made the question of the throwing open of the whole of Manchuria its vital issue, as a strong and resolute America could have done ; and if America had headed a fresh triplicate of Powers—with England and Japan as her companions—and demanded of Russia the execution of the Evacuation Protocol of April, 1902, would the present war have been averted ? There can be but one answer, and that answer is emphatically in the affirmative. The old attitude which places the United States in the Far East as a species of side-show violently performing at irregular intervals and temporarily attracting attention whilst the actors in the main tragedy are pleased to halt awhile and take breath, must totally disappear ; and then, with such a powerful addition to the forces which make for sound development and progress in the Far East, the disintegrating influences will be completely arrested.

And why should not America act in this way ? Senator Beveridge, who may be called a representative American, in his interesting work on the Russian advance has laid far too much stress in dealing with the Chinese question on what the future may bring and not what the present actually shows. He paints a speaking picture of the Russian

advance, of Russia's irresistible power; of the German advance, of the Japanese advance, and even of the American advance, though this latter is not as patent to him as he would like to acknowledge. But what of the English advance (although the British Government has long ceased to figure as an active factor in the problem), or of the Englishmen's position in China to-day? who handle half the entire trade of China; who own half the shipping which throngs Chinese waters; who have fought all the early fights which have really counted in the throwing open of the country; who have made the Far East their home, founded local companies, corporations, pools and combines, and whose whole welfare is bound up with China's welfare—who, in a word, have done nearly all the heavy work in the past and have never objected by word or deed to others sharing in the profits so long as there is an open door and a fair field. Would America have done as well if she had been similarly placed? would she have acted as liberally in spite of her traditional attitude of friendly solicitude for China's welfare and her frequent declarations? It is well to ask such a question with the present position in the Philippines before one.

This covers no specious plea for a servile following of British policy in China. Far from it indeed! For it is only Englishmen in their private capacity, and not their Government, who have any definite ideas on such a great subject. What is wanted is that America should apply her exceedingly shrewd

brain to the whole question and push England along.

The first thing, then, is the appointment of a United States Minister to China who shall be properly equipped for his post and have a special knowledge of the Far Eastern situation ; who shall be responsible to his Government, and to his Government alone, and whose continued appointment will not be a matter for the American missionary-boards which control so much influence in the United States, to decide and recommend. The staffing of the American Legation in Peking with missionary nominees, who have as often as not actually been in the missionary ranks, has tended to give the United States Mission a peculiar character and to bring the Great Republic into contempt. Nor is the question of American Consular representation in China any more pleasant. From one end of the country to the other American Consuls in the past have been the butt of every jest on the subject of the white man's so-called superiority over the Chinaman in the matter of squeeze. Having, except in certain honourable cases, but four or at the most eight years of office before them, after which they will be thrown on the world, without pensions, it has become an understood thing among American Consuls that any "plunder" that is to be made should be promptly pocketed. It would be unkind to make longer reference to this subject at a time when the conduct of at least three American Consulates in China is engaging the serious atten-

tion of the Washington State Department. But when it has been proved beyond doubt, as it will be, that American officials in China connive at acts which bring their country into increasing contempt in the Far East, it is high time that the matter be properly attended to. There is only one solution—it is the creation of an American China Consular service on the English model. Young men of the Yale and Harvard stamp, after being properly ground in Chinese for two or three years at Peking, would soon make the present state of affairs a distant memory.

With an efficient diplomat at the head of the American Legation, who commanded, not only the confidence of Washington, but the hearty support of his nationals by reason of his correct grasp of the very complex Far Eastern position, and who would therefore be able to guide his Government instead of the reverse being the case; with a representative Legation staff, a corps of student-interpreters with "college" educations, and a cleansed representation at the treaty ports—the United States would very soon assume a very different attitude from its present one on many small questions which, if not of vast importance, are at least worthy of some consideration, whilst the general policy would be something akin to the old English policy. Meaningless Circular Notes would give place to sharp words, and a prompt checking of those intrigues which have reduced Peking, since the siege of the Legations to a level of a Seoul or a Stamboul. And

last, but not least, it is to be hoped that the future will show the Great Republic ready to take China as meaning not only the eighteen provinces but also Manchuria, Mongolia, the New Dominion, and Tibet ; and that all future Notes addressed to the Powers will lay down this principle in emphatic terms. An action such as this coming from a country which no one can accuse of cherishing territorial designs in the Far East would be productive of more good, and leave the friends of partition more embarrassed, than anything which has been done during the last decade.

Note.—Since the above was written, Washington has shown that it intends to move with the times, and is desirous of regaining lost ground. Universal satisfaction has been expressed at the appointment of the Hon. Wm. Woodville Rockhill as United States Minister to China. Mr. Rockhill twenty years ago was secretary of Legation in Peking, is a Chinese student of no mean order, and made one of the first attempts to reach Lhasa. His book *The Land of the Lamas* describes this attempt which so nearly succeeded. A perfect French scholar, and an *homme du monde* in every sense of the word, Mr. Rockhill's influence will soon make itself felt.

Meanwhile the visit of Mr. Pearce, third Secretary of State to China, has borne fruit, and there has been terrible slaughter amongst the innocent. American Consulates have been swept clean, in certain cases every member of each staff has been given very short shrifts. The new appointees are being drawn from an entirely different class of men, whilst student interpreters of good education and address are being sent to Peking. It would seem, therefore, as if the days when merely "our people love to trade with your people" are over, and that the dictum "we shall

not take part of evil-doers " is coming true in a somewhat unexpected fashion. The next question which may cause unpleasantness is the Chinese Exclusion Act, which is about to expire. It will take all the adroitness of the new men on the spot to convince the Chinese Government that you can love, and yet not wish to embrace, every son of a nation now numbering 432,000,000 souls.

CHAPTER XXXIII

CHINA ARMING

WHILST the Chinese Government functions much as usual although sadly hampered by many things : and the Manchu Court bowing to the whims of the old Empress Dowager, entertains the ladies of the foreign Legations : whilst the Peking authorities tinker at the roads and bemoan the fact that metropolitan funds will not permit them restoring the great lou or Tartar gate-towers of the Tartar wall : and the provinces haggle over the 1900 indemnity contributions and swear there is not a cash left, whilst all these things go on, and the great war is watched, there is one thing, and one thing alone, which is receiving constant and unremitting attention—one thing about which the Manchu Court, the Central Government, and the provincial authorities have firmly made up their minds, and are resolved shall be properly attended to—one thing on which everyone is willing to spend money, and is indeed spending vast sums of money. That thing is the re-armament of China.

It is, of course, no new story. Each collision with

foreign Powers has seen much the same thing happen, As early as the 'sixties of last century, when the Anglo-French allies had left the capital, and Gordon had finished his task of crushing the Taiping rebellion, and desired to return home, the Chinese, whilst they loaded him with honours (which, modest man, he refused to accept), called for memoranda, explaining why they were invariably beaten by their enemies, and asking how they should act on future occasions to remedy the old faults. In this the modern Chinese Government was not following the example of the last of the Mings when the Manchus, pouring in from Manchuria, were threatening Peking. Then a Portuguese company of arquebusiers marched all the way from Portuguese Macao to the capital to tender their services, but the fates willed that they should never come into action.

Gordon gave the desired memoranda, and later on, when he furtively visited Peking for the last time, he left other notes. These documents, which are well known to students of Chinese affairs, all deal with the subject in much the same way. They are, in fact, in the nature of a *pis aller*, nothing more or less, for they assume, perhaps too confidently, that China will be, will always be, more or less on the defensive, even when it is she who attacks, and that if she is to conquer it will only be through the employment of those qualities which the nature of the country, cut up as it is by numberless water-ways and natural obstacles, make of great value. Surprise attacks and a ceaseless harrying of the enemy, night attacks

at all hours, and in all kinds of weather, raids on baggage-trains and lines of communication, and the use of much light artillery, that can be rapidly transported, are the things on which Gordon dwelt with particular emphasis. He deprecated open attacks pushed forward in the face of the enemy's fire (which would be attempting the impossible in his eyes), and counselled ceaseless spade and trench-work—doubtless convinced that Chinese leaders would never be made to lead their attacks unflinchingly in person. Curiously enough, in the 1900⁸ siege of the Peking Legations the Manchu war party followed Gordon's advice to the letter. Pushing up by sapping and mining, and aided by the oil-smearcd torch, bit by bit the Legation lines were broken into and the defenders forced back inch by inch, whilst a fierce musketry and cannon fire tormented them by day and by night, and made regular sleep impossible. Had there been time enough, in spite of the efforts of the moderates of the Peking Government, who were always endeavouring to hold back the attack, knowing full well the vengeance which would come afterwards, the Legations would have fallen, thanks partly to the explicit Gordon memoranda. This is, however, such ancient history—it is five years ago—that everybody has forgotten it. •

Even with the beginning of the new system, begun tentatively in the 'sixties and 'seventies, but allowed to relapse into decay until the Tonkin war and the modernising of Japan gave it a fresh im-

petus, side by side the old or semi-old still held sway in Chinese military affairs. Whilst the value of the new methods was grudgingly admitted, the archaic could not be buried so quickly.

They were charming, these last grand reviews of the old Chinese provincial armies during the 'eighties and 'nineties. The troops, arrayed in resplendent uniforms made up of red and blue, or red and green, or even grey and green tunics, sombre black turbans, beautiful long "tiger" *t'ao-ku*, or leg coverings, of varied colouring that flapped in the wind, and sandalled feet, were armed with every kind of weapon, and stood at attention in a vast double line on their parade-ground, so that they should seem twice as many as they were really, and make everyone enchanted with provincial strength. Above them waved banners, innumerable banners, not square, business-like flags that are unromantically modern, but real triangular banners, very long, and very graceful, with fretted edges like the teeth of a saw, and embroidered and written over in every possible way with fantastic, snake-like characters. Half of these banners at least had a brightly-coloured ground which might be yellow, green, violet, or even the beautiful Chinese vermilion red. On some the characters were cut out, leaving snaky-looking gaps in the bunting, which meant nothing to the uninitiated, but everything to the literate few.

With all this brave show flapping and waving in front of them, the mandarins would ride on to the grounds in their Manchu official clothes, with more

banners and more men armed with uncouth-looking tridents and big two-handed swords running rapidly alongside of them in their sandalled feet, whilst big gongs, heavily thumped, clanged forth the joyful news that the great men had arrived to inspect the outward view of things. Then the trumpets would blare out, not sweet-throated cavalry trumpets like those of Europe, whose notes hover and float on the air, but the long, hoarse, fierce Tartar trumpets that wail a tremulous top note, crescendo and diminuendo succeeding one another quite oddly and strangely, and then, suddenly dropping two octaves, boom forth a blood-curdling bass that shakes the ground. The trumpets would blare for a long time more or less together, but not too much so, for that would have taken away the barbarism of the whole thing and made them disciplined, which may be necessary, but is never attractive. Then even the trumpets would become silent and everybody doubly attentive.

Suddenly a great shout would go up and the long line, opening in three or four places, would let out the pairs of champions. Oh, those beautiful champions, now so long departed, killed for ever by the inventions of Herr Krupp and many others! Stripped to the waist, with faces hideous with red and green war-masks and blood-coloured hair, with arms and chests covered with knotted muscles, they were the delight of the crowd and the terror of every little baby Chinaman held up on high to see the valiant sight. The first champion of each pair

had nothing but an enormous buckler made of stout hide and painted over with eyes designed to frighten the enemy away. The second had only a great two-handed sword, and thus in pairs the chosen ones advanced sullenly to give battle until they were fifty paces in front of the long silent mass of men behind them.

Then like lightning a single sharp note of a trumpet started them, and with a clash and swish they delivered combat on the invisible enemy. The swordsman would make the air flash with his bright steel and prance about with a most amazing activity, for the Chinese are very agile. The shield-bearer would duck and plunge, stiffen and slacken himself as he caught the imaginary blows aimed at his brother-swordsman, for it was the business of the one to protect the other whilst he cleared the field of all enemies. This enchanting scene continued for very few moments and at the end, if there was a very astonishing sword champion, he would perform a trick which always called forth thunders of plaudits even from a cold and undemonstrative audience. His sword would cease to flash so rapidly: it would gradually fan the air more and more, slowly, slowly, slowly. . . . The shield-bearer would redouble his efforts and turn himself nearly inside out in his terrible movements. But it was too late. The tragedy was plain: the very last enemy, having been too quick, had wounded the champion mortally and he was plainly in his last gasp. The climax would come. Suddenly the

sword stopped altogether : the man staggered back one, two, three paces and then fell full length backwards on his outstretched left arm. With a tremendous effort and with his whole body quivering under the strain he would support himself clean off the ground with all his weight thrown on this left arm. His right still grasped the long sword and with an effort it started whirling again and prevented the enemy from giving the death blow. Then one, two, three, again, with a tremendous shout, he had flung himself high into the air and with a vicious swirl—it was too tragic to be left entirely to the imagination—his sword fell heavily across the top of the buckler and sliced a great piece of leather up twenty feet off the ground. It was the last enemy's head which had paid the price for temerity.

Before you had realised it the champions had disappeared, slipping rapidly into the mass of men behind them, who opened and closed like sluice-gates and the real business began. An officer drew a pistol from his belt and fired into the air, and straight-away, beginning at one end of the line, a continuous fire ran from one end to the other hundreds and thousands of match-locks and rifles losing off in regular rotation. Although it was not practical warfare it was magnificent, for the snake of yellow fire and grey smoke, running as fast as it could along the kneeling ranks of brightly arrayed men and then back again along the standing lines, kept on until everything was shrouded

from view and only a spitting of flames could be divined. Then once more a trumpet call, and whilst the smoke cleared away, cavalrymen armed with bows and arrows galloped forward and poured arrows into black and white straw targets with a great twanging of catgut. Occasionally the cavaliers would collide and everybody would fall off, much to the delight of the crowd, causing baby Chinaman to crow with pleasure. But generally the horsemen would have done credit to any polo ground, so well did they manœuvre.

The smoke having indulgently retired, the infantry were allowed to have another turn. This time the great line would advance irregularly with the countless banners waving above and come to a sudden halt in the middle of the ground. Then the banner-bearers would run forward twenty or thirty yards, hundreds of gay flags flapping in the breeze and nearly toppling their bearers to the ground until arms had been relieved by planting the spiked ends firmly in the ground. Another signal and little squads of riflemen, seven under a sergeant, would break from the lines behind, rush forward, and surround the flag immediately in front of them. A bugle-call and they had started running round and round, and as each man came to the front he discharged his piece from his hip after the old method. Thus each banner was soon converted into a brilliant catherine-wheel, flashing continuously as the little circles of men went round and round. No showman has ever devised such a fine

sight. At last a fitting climax came when the main body behind would form irregular rallying squares and fire indiscriminately into their comrade catherine-wheels in front of them, or even into one another, since it did not much matter so long as a deafening noise and a tremendous smoke were produced.

This, alas! was somewhat long ago as time is counted in this quick-moving age, and now you may see none of these things, although some of the beautiful banners still remain. After the Japanese war it was manifestly a farce to trust to the old methods, and so before 1900 the real re-organisation had begun.

At the time of the Boxer outbreak there were three centres in China where troops were being regularly and properly drilled: at Tientsien, at Hankow, and at Nanking. Of these the Tientsien troops were the best, but the Hankow and the Nanking men were even then not despicable. Fortunately in 1900 the most formidable troops in North China, Yuan Shih-kai's foreign-drilled corps, had gone with their leader to Shantung on his appointment to the Governorship of that province. Had these 8,000 picked men been in the neighbourhood of Tientsien in 1900 and joined forces with General Nieh's contingent, the fighting would have been far more desperate, and the chances of the Allies relieving Peking in time would have been very slight.

Before the events of 1900 there were therefore some 42,000 efficient, foreign-drilled troops on

which the Chinese might have relied. Twenty-eight thousand were in North China, 8,000 in Wuchang (Hankow), and some 6,000 at Nanking. The 28,000 of North China were the three divisions of Yuan Shih-kai, General Nieh, and General Sung, each division numbering from 8,000 to 10,000 men. The sudden appointment of Yuan Shih-kai to the Governorship of the disturbed province of Shantung broke up the most important camp in Chihli before the Boxer trouble of 1900 had begun to materialise. Yuan Shih-kai, determined not to be deprived of his one effective argument, his small but efficient modern army, marched his men from his Hsiao-chan camp, near Tientsien, to Chinanfu, his provincial capital, thus leaving but one really efficient body of troops around Tientsien, Nieh's well-known Lu-tai division. The other Northern division, General Sung's Shanhaikwan division, although strong in numbers, had not been properly re-organised. On General Nieh's foreign-drilled troops the bulk of the fighting around Tientsien fell—that is to say, 10,000 Chinese troops alone could be relied upon to give a good account of themselves.

Although popular opinion supposes that the Chinese soldiery played a very inglorious part in 1900, this idea may be said to be based on misconception. Of the 70,000 or 80,000 men who from first to last may be said to have opposed the Allies, General Nieh's troops alone were really foreign-drilled and efficient. It is true that a number of other bodies of Chinese troops were

armed with modern rifles and rated at the Peking Board of War as part of the Chihli Field Force under the supreme command of Manchu generalissimo Jung Lu, lately deceased. But these divisions, such as the Kansu Mahommedan division of the redoubtable Tung Fu-hsiang, and a Paotingfu division sent by Viceroy Chang Chih-tung from Hankow in 1898, after the Empress Dowager's famous *coup d'état* had dethroned the Emperor, were well understood by the Chinese themselves to be but troops of the second line as far as fighting a European enemy was concerned; and therefore only a single corps—the Nieh division of 10,000 men—can be taken as an example of the modern Chinese soldier, the man who one day may have to be faced in overwhelming numbers. And even these Nieh troops were held by experts to be 20 or 30 per cent. inferior to the Yuan Shih-kai command. The testimony of a number of good European soldiers is to the effect that General Nieh's troops, with everything against them, such as divided counsels at headquarters, the demoralisation caused by the presence of large numbers of armed Boxers and inferior soldiery, &c., behaved with great resolution and showed good fighting qualities, whilst the practice of their artillery was often superior to that of the European units engaged. The firing from the Black Fort in Tientsien city was, according to the testimony of British Commanders, most excellent and galling.

It was reasons of this kind which made the

Foreign Commanders constantly express the greatest anxiety lest Yuan Shih-kai's force be marched from Shantung across the Peking road, for it was generally felt that if such a course were decided on the relief of Peking might be indefinitely delayed by the presence of a body of men individually as efficient as European soldiery. If any other arguments were necessary to prove the mettle of the new soldiery, these would be found by turning to the exploits of the Weihaiwei regiment. The contemptuous attitude of the men of the 1st Chinese Regiment, led by a handful of British officers, whilst they were under the heaviest fire shows conclusively that Northern Chinese, provided they are properly officered, will fight as dourly as any men in the world. It was therefore not surprising that many of the most thoughtful officers of the Allied troops in 1900 were full of misgivings. They had begun only then to realise that when, as Sir Robert Hart subsequently wrote, there were unlimited numbers of men of this calibre under war's panoply, it would be an evil time for the rest of the world if the coercion of China was still looked upon as a daily task. Europe laughed loudly later on when it read what Boxers or Chinese patriots might do. But then it is only right to recall that Europe has been taught many things by the Russo-Japanese war, and that it has now realised that there is but little amusing about the Far East.

These few remarks dealing with the general question of properly armed foreign-drilled Chinese

troops are in the nature of a preface to what follows. For the Chinese Government and the Manchu Court had ample time during the temporary exile at Hsian-fu to reflect on the military results of 1900, and to realise that only Krupp cannon and Mauser rifles in the hands of huge masses of well-disciplined men were now useful as arguments. What has already been written about the mental attitude of the Peking Government towards the affairs of the outer world, *i.e.*, the question of foreign relations, is equally true of the mental attitude of Chinese officialdom towards the question of soldiery in the past. Just as the main question of the Chinese Government has always been, in spite of the constantly-occurring foreign complications, the government by equipoise of Chinese territory and of distinct provinces always ready to revolt, so, until 1900, setting aside once the spasmodic attempts at introducing a modern military system, due to the initiative of a few men, it must be said the main purpose contemplated in matters military was merely to strengthen Chinese sovereignty, and to bind the Empire together more tightly—not that of making China strong so as to resist foreign encroachment. Some may object to this distinction as being not only too fine, but actually not in accordance with facts. To these I would reply that the re-armament of the Chihli forces in the 'eighties by Li Hung Chang was really due to a solicitude for Korea, and that the second big re-organisation of these forces in 1898 was one

of the results of the Empress Dowager's *coup d'état*, and was only ordered so as to prevent the reform party from attempting any counter-coups. So far as the Foreign Powers were concerned, the only thing deemed necessary until very recently had been the creation of such forces as the Tonkin frontier force, the Manchurian forces, and the organisation of certain bodies of troops along the Yangtze: whilst the vast mass of Chinese provincial soldiery, estimated at half a million of men, whose fighting capacity will be plain from the description given of the usual review, were not primarily intended for warfare with foreign foes, but were merely to give provincial Viceroys and Governors the necessary power to keep the provinces quiet, stamp out the periodic rebellions and terrorise the numerous powerful secret societies into submission.

In other words, the main business of the so-called Chinese army was, until 1900, the policing of the Chinese Empire, whilst special forces were created for various duties at danger-points whenever these danger-points could be properly located and their needs understood. Even here the student will be forced to admit that the Chihli Field Force, composed of five divisions, of which two (those of Yuan Shih-kai and General Nieh) were quite efficient, was primarily intended for the protection of the Throne, which could no longer rely with any certainty on the Eight Manchu Banners. This is clear from the fact that when the Emperor Kuan-Hsu began launching his Reform Edicts in 1898,

the Reform leaders had counted on Yuan Shih-kai marching his foreign-drilled men from his Hsiao-chan camp to Peking and surrounding the Palace. But Yuan Shih-kai, a Machiavelli in diplomacy and the science of Chinese equipoise, was able to foresee that the Conservatives would prove too strong for the Reform leaders, and therefore postponed moving until the Empress Dowager had reasserted herself: and the old Court party immediately showed their astuteness by advocating the erection of a big modern force in which not one leader but half a dozen would command efficient bodies of troops, thus ensuring that the Court would be properly protected, and that there would be no internal danger because the leaders would probably never all be able to agree. Of course it was always remembered that such a large force might prove very useful at the Taku forts in preventing a foreign foe from advancing on Peking; but this was really a secondary consideration, for the simple reason that Chinese officialdom, even after the numerous 1898 "leases," has always made as light as possible of foreign affairs, and has not dared to allow the Throne to be too much troubled by the constant consideration of such problems.

The discussion of the so-called Chihli Field Force leads us at once to the question of the Manchu Banner organisation, since the whole matter of Chinese armament is being considered from the internal rather than the external point of view, and the reasons for that re-armament must be made clear.

After 1898, the Court party showed for the first time in its history that the archaic soldiery, whose ancestors had made the Manchu conquest of China, were at last rated useless, or at least only retained as a symbol of the Manchu power—a symbol for the eyes of the Chinese populace and for no one else. What are these Banner corps? They are composed of the descendants of the men who placed the youthful Manchu sovereign Shun Chih on the Dragon Throne in 1644, and who in the two or three following decades overran all China and reduced the entire population to subjection to the Manchu rule. It is impossible, excepting by devoting many pages to the subject, to detail the complex Banner organisation in its entirety, but the chief points can be rapidly referred to in a way so as to explain the main features of the system.

There are Eight Banners divided into two classes—the Three Superior and the Five Inferior. The Three Superior Banners are the Bordered Yellow, the Plain Yellow, and the Plain White; whilst the Five Inferior are the Bordered White, the Plain Red, the Bordered Red, the Plain Blue, and the Bordered Blue. To one of these Eight Banners every male of the Manchu population belongs. But as the Manchu conquest was performed not only by Manchus but by renegade Northern Chinese and by Mongols, these allies were incorporated at the time they rendered their assistance in the Banner organisation, and their descendants are just as much Bannermen, or the privileged caste, as the Manchus

themselves. Each Banner is therefore divided into three *Ku-sai* or divisions, each of whose cadres are filled by only one of the three separate nationalities—Manchu, Northern Chinese, or Mongol.

This Banner population, estimated now to amount to at least five million souls, is distributed approximately as follows: half a million in Peking and its purlieus, two millions in Manchuria, a quarter or half a million in posts or garrison towns in various parts of the Empire, and the rest in Mongolia.

The headquarters of this Banner organisation is of course in Peking, and there every male is nominally a soldier. Only nominally, however, as for a great number of decades, although a fixed pay is issued to all the males of every Banner household together with regular if deplorable rice rations, the old military prowess of these gentry has fallen more and more into decrepitude, until at last it has become necessary to create special corps by selecting promising candidates from among the general Banner population. The creation of these special corps has been confined to Peking and Manchuria, and the rest of the population left in its former state of decay. Thus in Peking, whilst the guarding of the Palace has been left in the hands of the Guards' division, a select body of Manchus picked from the rank and file of the Eight Banners, another big force was organised in 1862 as a result of the disastrous campaign of 1860, styled the *Shen-chi-ying* or Divine Mechanism troops. This force,

commonly known as the Peking Field Force, numbers nominally 20,000 Bannermen, and comprises infantry, cavalry, and artillery, all of whom are supposed to be drilled and manœuvred after the fashion of European troops, although such is not the case. In 1900 a portion of this force, after taking part in the siege of the Legations, offered a fairly stubborn resistance at the Tartar Gates to the east of the city when the Russians and the Japanese were attempting to force their way in.

Apart from the actual Peking Banner garrison, there are the garrisons of the military cordon, consisting of twenty-five cities in the province of Chihli which surround Peking. These garrisons are offshoots of the Peking Banners, on whom they depend. All these active organisations—active only inasmuch as they are drawn from the great passive Banner organisation—are for the protection of Peking and the Manchu Court from any possible great Chinese rising, and date from at least two centuries back. In other words, the active Banner forces have been maintained far more for reasons of internal policy than for maintaining the integrity of China, so constantly threatened by the Foreign Powers.

Thus, going farther afield in China, we come on the *Ko Sheng Chu fang*, or the garrisons stationed in the provinces, which garrisons, planted after the Manchu conquest, have remained where they were originally placed for two-and-a-half centuries, and are now in a remarkable state of decay. Of these garrisons there are some in certain provinces and

none in others; their curious distribution was entirely based on the fighting of the seventeenth century, and the strategic reasons then existing have naturally now entirely disappeared. Thus there are three garrisons in Shansi province; two in Shantung, one in Honan, two in Kiangsu, two in Chehkiang, one in Fuhkien, one in Kwantung, one in Szechuan, one in Hupeh, one in Shensi, and three in Kansu. Out of seventeen provinces—excluding of course the metropolitan province of Chihli—eleven have Manchu or Banner garrisons, the total number of such military posts being eighteen. Turning to Manchuria, it will be found that these Banner garrisons are distributed in many of the important old towns, whilst in Inner and Outer Mongolia similar bodies of men also exist.

What has been already written in a preliminary manner about the re-organisation of Chinese troops will now be doubly clear; that is to say, the delicate nature of this reorganisation from the Manchu or Court point of view will be patent. The year 1900 proved conclusively that the time had come when something radical had to be done, no matter what new dangers the step might disclose; and thus the Throne, convinced that the dangers from without had at last become far more prominent than any possible dangers from within, boldly ordered the entire re-organisation of the Chinese territorial army. In other words, the Chinese Government was willing to take the risk of creating forces far more powerful than the Banners (and therefore capable of

overturning the Manchu Throne if they wished) in order to have an efficient weapon in its hand. This is a most important and far-reaching conclusion to have reached, for it means nothing more or less than this : that no matter what may be the immediate result of the Russo-Japanese war, China is determined in the event of further encroachments to make a desperate effort at resistance. And if that effort only has to be made in seven or eight years' time it may be a most surprising and efficient one, for, since her supplies of men and leaders are unlimited if properly exploited, it becomes merely a question of time and money as to how great her field-armies become. What Lord Wolseley wrote many years ago is absolutely true to-day. If the Chinese giant is further irritated, if those Governments which have it in their power to make an intolerable position far more tolerable continue to act as they have in the past five years (as if stupidity and sleep were the two things necessary to solve the problem), the third war will inevitably break out. With what has been written as a background, I now pass to the more interesting question of the actual re-armament of China now proceeding, the extent of the present programme, and an exact account of what has already been accomplished.

The Court had not been back in Peking many days after its humiliating flight and exile brought on by the Boxer collapse before the question of army reform became a subject of daily discussion.

The fact that Yuan Shih-kai's well-disciplined and fine-looking troops garrisoned the approaches of the Imperial City and the Palace to quiet the Empress Dowager's fears was sufficient to prove that the old bow and arrow days were done and finished with. It was an immense step to have made even mentally in so short a time, since but two years before the desultory fighting in the Forbidden City had seen Palace guards and Manchu soldiery using archaic jungal and the great Manchu long-bow side by side with men armed with Mauser and Männlicher rifles. But this last encounter was the death-rattle of the old *régime*.

The first step taken by the Chinese Government after much debate and much intriguing was the creation of the Lien Ping Ch'u or the "Council for Army Reform." Here it is necessary to say that there was no actual necessity for the creation of a new Board of Control, since one of the six great Boards of Government Departments has always been the Ping Pu or Board of War, in whose hands the entire military affairs of the Empire nominally repose, and which should be as competent on paper to effect military reform as any other body of high-placed Chinese officials. But from the Chinese point of view there was always the danger of immediate opposition if military reform came to be looked upon as a doubtful innovation, since anything which cuts down well-established squeezes is of necessity bad and revolutionary. Such a proceeding would have been against all precedents, and

would have been looked upon as clumsy in a world which is the stronghold of diplomatic move and counter-move. And again it would have immediately made men say that there was not much difference between this and what had wrecked and scattered the Kang-Yu-Wei Reform party in 1898. Then it was the abolition of sinecures, duly decreed and approved by the Vermilion Pencil but never carried out, which had frightened all Chinese officialdom and led to the *coup d'état* which imprisoned the Emperor. The truly Chinese method is to create something which will wither the old and let it die naturally—but never to root up ruthlessly regardless of all consequences.

The erection of the new council had also another significance. It will be remembered that there are two supreme councils in the Chinese Government which correspond to the Cabinet and Privy Council of European countries—the *Chun Chi Ch'u* or the Grand Council, and the *Nei-ke* or the Grand Secretariat. Before the Manchus came to the Throne the *Nei-ke* (literally the Inner Cabinet or Hall) was the supreme council of the Empire. But during the seventeenth century the *Chun Chi Ch'u* or Grand Council completely superseded in active importance the *Nei-ke*. And now comes the significant part. The *Chun Chi Ch'u*, literally translated, means "the place of plans for the army." Therefore the Grand Council was originally, and is still to some extent in theory, a quasi-military body of supreme Manchu officials who conferred with the

Throne at daybreak audiences and decided all questions of the day, basing their point of view on the ultimate welfare of the Manchu House. In other words, the Manchu military prowess, which had been responsible for the entire conquest of China, contented itself with merely superimposing symbols of sovereignty over the Chinese system, but had retained every essential of that system and all the well-devised machinery erected by Chinese dynasties—merely adding a Manchu military Grand Council, Manchu provincial Generals, Manchu garrisons, and a sufficient number of Manchu quasi-military officials to show the inhabitants that the Manchus were the masters of the country. Thus the Manchu rule is still in theory a superimposed military rule, of which the "Place of Plans for the Army" is the headquarters, and beneath which the old Chinese system functions. The decrepitude into which that rule has fallen, owing to the entire assimilation of the Manchus by the Chinese in all but name, will have been fully realised.

This somewhat lengthy digression is justified by the clear aspect which the new Lien Ping Ch'u will have assumed. For the creation of this new body means that the Manchu Throne, behind which towers the eloquent figure of the old Empress Dowager, is bent once more on rehabilitating itself, and is taking this question of the re-armament of China into its own hands, in the hope that in a few years either this or some other council will exercise

the same authority, and command the same respect, as were possessed by the old Grand Council during the reign of the earlier Emperors of the present dynasty, when the Manchu soldiery was still a terror and a scourge.

When things had settled down in 1902 with the return of the Court to Peking and the withdrawal of the main bodies of the European expeditionary corps, an immediate investigation was begun to ascertain the actual number of foreign-drilled troops China disposed of. In the North large bodies of men had been disbanded or scattered, and excepting Yuan Shih-kai's division, controlled by an iron hand, all other bodies of men were much reduced in numbers, and had suffered in every respect by the events of 1900. Large quantities of arms and cannon had also been lost or rendered worthless, the great Hsi-ku arsenal near Tientsien (on which many millions sterling has been spent since Li Hung Chang's days) had been looted from roof to floor and entirely destroyed: confusion was conspicuous everywhere—in a word, the Northern provinces had practically to begin all over again.

Until September, 1903, the two years' prohibition against the importation of arms, imposed by the Peace Protocol of 1901, prevented supplies being replenished excepting from the two Yangtze arsenals, the Wuchang and Kiangyan establishments; and as these were being called upon from every direction to execute urgent orders for the provinces of Central and Southern China, little could

be done for the North. No sooner, however, was the prohibition removed than the importation of rifles, quick-firing artillery, and immense quantities of ammunition began with a rush which has continued unabated during the past eighteen months; and so far from now ceasing, the great war is causing provincial governors who have hitherto managed to delay the execution of the re-armament orders to pay down their bargain money and secure the quick delivery of the war material they need from Europe.

Under such circumstances, before going any further, one of the most interesting questions at the moment is, what quantity of rifles and artillery with corresponding ammunition have been imported into China during the past year and a half? It is a question which is not easily answered for a variety of reasons; but certain investigations lead me to suppose that 214,000 rifles with ammunition amounting to upwards of 800 rounds per rifle and some 248 quick-firing guns have been imported or are about to be imported. These figures are not absolutely accurate, since it is quite impossible to make accurate returns of articles imported under Chinese Government certificates. But without mentioning the manner in which these totals have been arrived at, it may be stated that their accuracy can only be 20 per cent. at fault—that is to say, the actual amounts may be 20 per cent. less or 20 per cent. more. We may therefore assume that in a period of eighteen months China has imported a quarter of a million

rifles and some two hundred quick-firing guns. When it is stated that the capacity of the Hanyang arsenal is fifty Mauser rifles and 25,000 cartridges *per diem*, and that in addition one hundred quick-firing guns and 100,000 shells can be turned out every year at this important factory, whilst the Kiangyan establishment near Shanghai is equally important and possesses a greater capacity for the manufacture of heavy artillery of position, it will be realised that the day is not far off when the Chinese question will have to be dealt with very differently. For by tabulating the figures of the number of rifles and guns which will be actually available during 1905 or at the beginning of 1906, the following results are arrived at:—

Rifles and Carbines:—

1. Eighteen months' importation.....	214,000
2. Arms in hands of Northern troops prior to removal of prohibition...	60,000
3. Arms in Central and Southern China	90,000
4. Distributed by Hanyang and Kiangyan arsenals, or still held in stock by them	100,000
Total	464,000

Artillery:—

1. Importations	248 guns
2. Hanyang and Kiangyan—stocks distributed or still held	450 „
3. In hands of troops prior to re- armament	360 „
Total	1,058 guns

These are indeed astonishing figures, although it is of course not pretended that a Chinese field-force capable of taking up and using these weapons properly as yet exists. But, as will be shortly shown, a force far greater than this will ultimately exist, possibly within five years, certainly within ten ; and the presence of such immense bodies of well-armed and well-drilled men will tend entirely to alter the Far Eastern situation. But it is best to pass immediately from the vague to the concrete and to state in black and white the actual condition of existing Chinese forces.

For the time being the *Lien Ping Ch'u*, or Council for Army Reform, has had to content itself with a policy which corresponds almost entirely with its name. It is advocating and drafting new schemes, overseeing the new military schools, examining the actual condition of the provincial forces, ordering the entire re-armament of all units with modern rifles and guns, and, most important of all, collecting funds for the large purchases of war materials and the heavy disbursements it contemplates making. At the present moment it has only a sum equivalent to a million sterling in hand—a sum which is entirely inadequate even for the initial expenditure which has to be made. This is fully recognised, and ways and means are now being devised.

Meanwhile the provinces have already put into operation some parts of the new Army scheme. As has been shown, very heavy importations of arms and munitions of war have been made, while the

establishment of military schools has gone on hand in hand with the despatch of large numbers of Chinese military students to the military academies in Japan. Already nearly one hundred and fifty young Chinese of good family and good reputation have graduated at the Tokyo Military College, whilst many hundreds more of the same class are hard at work in other Japanese schools. In China there are no less than nineteen modern military academies and schools, ranging from a Staff College where the higher officers are trained to simple elementary schools where non-commissioned officers receive the necessary tuition. In the Chihli Viceroyalty alone there are upwards of one thousand military students; in the Wuchang Viceroyalty two hundred; in the Nanking Viceroyalty the same number; whilst in the remaining provinces—some of which are behind-hand in the establishment of their schools—there are from fifty to two hundred and fifty officers and non-commissioned officers at work. By a series of cross-calculations it is apparent that upwards of 4,000 young Chinese of a suitable age are studying military science in either Japan or China. The tuition they receive in Japan is equal to that of the military schools of Germany; that given in many parts of the provinces is still elementary and even defective. But as the Tokyo graduates return to China they are drafted into the provincial schools as instructors, and within five years a uniform system of military study will have been established everywhere in China. Even now, no young Chinese

may become an officer who is not a graduate from some military school; whilst all Chinese officers of the old *régime*, excepting certain favourite generals who are being gradually weeded out, have been ordered to attend officers' academies and receive certificates. And in addition to appointing competent Chinese instructors the provincial schools are engaging a great number of Japanese retired officers and professors.

Things being in the transition stage which has been described, it is too soon to speak of the *Chang Pei Chun*, or troops of the first line, which are to form the bulk of the reorganised Chinese army. At the present moment it is an accepted principle with the *Lien Ping Ch'u* that the minimum number of troops which each province must provide is two divisions of 12,000 men each. But to this rule there are already exceptions. In the case of the metropolitan province of Chihli there will be six divisions of these *Chang Pei Chun* under the immediate command of Viceroy Yuan Shih-kai. As these troops have already been organised, full reference will be made to them presently. The Wuchang Viceroyalty, comprising the two provinces of Hunan and Hupeh, will likewise have six divisions. Behind these troops of the first line come the *Hsu pei-ping*, or additional troops, comprising the half-converted, semi-foreign-drilled provincial troops, whose future has not yet been decided on; but these will probably become reserves, as will be presently shown. In addition there are the *Hsun Ching*, or new

military police who are destined to take the place of the former Yamen runner class of men. In Chihli province there are already five thousand of these men, whilst in Shantung, Hupeh, and elsewhere they are being organized on a basis laid down by Yuan Shih-kai. And now it is time to speak in detail of Yuan Shih-kai's forces which alone of all the various armies in embryo have taken definite shape.

The raising of the six divisions which for the time being form the Army of the North under Viceroy Yuan Shih-kai's personal command, has been practically completed, and before the end of 1905 the corps will be all assembled at their divisional headquarters. Each division numbers 11,800 rank and file and 785 officers, or a total of 12,585 men. The six divisions therefore have a total strength of 75,000. The recruiting for the First, Second and Third Divisions is carried on in the Chihli Viceroyalty: that of the Fourth Division partly in Kiangsu province: that of the Fifth Division in Shantung; and that of the Sixth Division in Honan and Anhui. These six divisions are *Chang Pei Chun* or enlisted troops of the standing army, and their term of service is as follows:—

Chang Pei Chun (active army) 3 years' service.

Hsu Pei Chun (First Reserve) 3 years' service

Ho Pei Chun (Landwehr) . 3 years' service

Ko Ming Chun (Landsturm) . 3 years' service

making each man liable to be called to the colours

during a period of twelve years. In little more than a decade, therefore, by calling out all his reserves, Yuan Shih-kai's six divisions of the north would number on a war-footing 300,000 men. These terms of service are to be extended to every province in China.

Every division is composed of two brigades of infantry numbering six battalions each ; three regiments of artillery having forty-eight guns in all ; three regiments of cavalry ; and a battalion of sappers and miners. The pay and allowances for all these corps have been all provided for by setting aside regular services of internal revenue. The yearly expenditure for each division amounts to taels 1,600,000 each, or, say £225,000. The total grant for the whole army thus amounts to nearly taels 10,000,000, of which taels 6,000,000 will be paid by the Peking Board of Revenue and the remainder by the Northern Provinces.

When plans and funds are ready, this system will be extended to all the provinces, and the units now existing will form the nucleus of future divisions. Thus, in five years the territorial forces will probably be divided into six armies ; the Army of Manchuria, the Army of the North, the Army of the West (Shanse Shensi and Kansu), the Army of mid-China (Wuchang), the Army of the Yangtze (Nanking), the Army of the South (Canton). Assuming that there are three armies of six divisions and three of four divisions, the total number will be thirty divisions, or 360,000 men on a peace-footing. By

1915 or 1920 these corps on a war-footing will number at least a million and a half men. If we add to this total the modernised Banner corps, who are referred to later on, and the military police, who must ultimately number a large force, this total will be nearer two million men than anything else. Already there are 120,000 well-drilled men and 100,000 partially converted troops. Their leaders are most resolute and will be found to face death with Japanese unconcern. The new officers' titles have all been settled on and are as follows :—

Field-Marshal . . . Lien Ping Ta Ch'en.

General Cheng Fu-tung.

Lieutenant-General . . . Fu Fu-tung.

(Divisional Commander)

Major-General . . . Hsieh Fu-tung.

(Brigade Commander)

Colonel Cheng San-ling.

Lieutenant-Colonel . . . Fu San-ling.

Major Hsieh San-ling.

Captain Cheng Chun-hsian

First Lieutenant . . . Fu Chun-hsian.

Second Lieutenant . . . Hsieh Chun-hsian.

The training of all these men is on the Japanese system.

That the whole movement is a very earnest one is shown by the fact that early in 1905, T'ieh Liang, a high Manchu official, was despatched from Peking on a tour of inspection through the central provinces. A most rigorous examination was made

by him of over forty battalions, and all those who fell below the desired standard were severely reported on. The fact also that investigations were made concerning the removal of the Kiangyan arsenal, which lies just above Shanghai, to a place at least two or three hundred miles up the Yangtze was another proof that the lessons of 1900 have been well digested. A very little fortifying would convert the reaches of the lower Yangtze into impregnable positions and make the advance of a European flotilla on Nanking or Hankow an impossibility.

Most important also is the question of the establishment of additional Chinese arsenals, which will make China quite independent of Europe for her supplies of war materials. Whilst for the time being there are only the two Yangtze arsenals, owing to the destruction of the immense Tientsien establishment in 1900, machine shops have been already put up at nearly every provincial capital. At such places all kinds of repairs can be effected. and it is already arranged that a cartridge factory provided with the most modern plant shall be a *sine quâ non* at the seat of each provincial Governor.

But there is another point. Two additional arsenals are to be established on a grand scale as soon as the necessary funds can be collected. The exact position of the great Southern arsenal has already been decided on and the contract signed for the supply of an immense quantity of plant and



WUCHANG ARSENAL AND POWDER FACTORIES.

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high-speed machinery. This arsenal, which will furnish all the South of China in the near future with all its war material, is to be at Ching Yuan, on the North river, which is about one hundred miles north-west of Canton. The location has been very carefully chosen and due regard paid to a number of considerations. The mistake of having an arsenal within easy distance of the coast and consequently subject to surprise by a foreign enemy, is not going to be made again, and in the next Chinese war powerful forts will make it almost impossible to cripple China by seizing all warlike supplies in the area affected by hostilities at the outset.

The location of the fourth arsenal, the Northern, has not yet been decided on, but certain facts lead me to believe that a spot near Kaifongfu, on the right bank of that most formidable obstacle, the Yellow river, will be finally selected. It is undoubtedly the safest place in North China and possesses a water-power not to be found elsewhere in the dry country. For the time being Yuan Shih-kai is spending all his available funds on the armament of his newly-raised infantry and artillery—a process which he finds most expensive and crippling in the present state of China's finances; and nothing will be done in the matter of an arsenal for a year or two.

Side by side with the wholesale reorganisation of the purely Chinese provincial forces now proceeding, there is another point which must not be

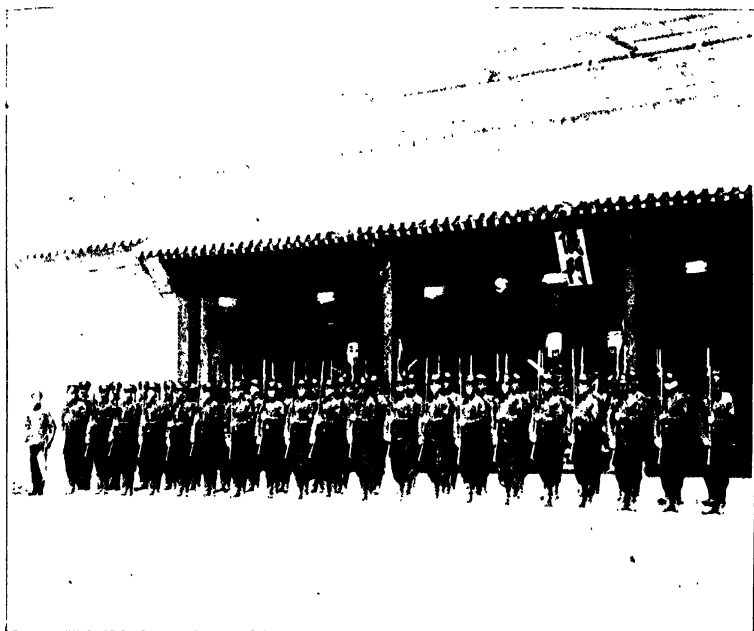
lost sight of. The Manchu or Banner troops are to be likewise entirely reorganised and reformed, and only a lack of funds delays this important measure. But even at the present moment the conversion of the old Peking Field Force, formerly numbering some 20,000 men, has been ordered, whilst the isolated Manchu garrisons scattered throughout the eighteen provinces have been lately receiving new Mauser rifles and some quick-firing artillery. Each of these Manchu garrison posts, under the command of a Tartar general, is in theory composed of five battalions of infantry, four regiments of cavalry and several batteries of artillery; and although of course in many cases these are mere paper forces, it would require but little reform to place all the Banner forces on a modern footing.

Nor need it be supposed that all this bustle is a paper bustle after the old Chinese manner. During a voyage of at least 2,500 miles through a number of provinces I was careful to pay special attention to the military question and to engage every Chinese officer and man time would permit in conversation. I was thus able to convince myself amply of several important things, chief of which is the following: that every Chinese commander and soldier has at last realised that rifles and ammunition must be properly kept, that drill must be constant, that discipline must be very strict, and that the art of war must be studied day and night before troops can dare to face modern

armies. Everywhere I found clean rifles and proper ammunition, suitable uniforms and splendid-looking men housed in good, modern barracks. In his summer straw hat and imitation khaki clothing or in his winter turban of sombre black and tight-fitting tunic and loose trousers, the modern Chinese soldier presents a most business-like and resolute appearance, and when a battalion of such fellows click through their drill, the immense gulf separating them from the former effete creatures who, miserably paid and entirely underfed, masqueraded as serious soldiery, is clearly apparent. And whilst the ordinary man all over the world still pictures the Chinese soldier as this effete and worthless coolie, the fact is becoming more and more clear to European military agents in China that the Chinaman is not only not effete and worthless but that he is being developed into the most formidable soldier on the continent of Asia. Contemptuous of death, physically far superior to the Japanese, with an immense pride of race and a quickness and an ingenuity which far eclipse that of all other Eastern races, it requires but good leaders and a careful selection from the great masses of men available to evolve regiments, divisions, and army corps which, conscious of their strength, will defy the best troops of Europe. Nor has it escaped notice that the Chinese are natural artillerists, if such an expression is permissible: that is to say, that everything which pertains to the laying and firing of guns, to the selection and masking of positions, comes quite

naturally to them. The splendid eye which every Chinaman of the lower classes has, makes it merely a question of practice for them to become remarkable shots with either the rifle or the gun. And as for cavalry, on the plains of Mongolia a race of born horsemen exist who, forming part of the Manchu Banners, require only to be organised and drilled to become as good as most irregular cavalry.

In the past it has been the custom to take the yellow-skinned Chinaman of Southern and Central China as an example of the ordinary inhabitant of this great Empire, and not the tall, walnut-coloured man of the Northern provinces. What has been written elsewhere will have shown the erroneousness of this view. It is the North of China which has always in the end dominated the rest of the Empire, and it is the Northern soldier, the man drawn from the provinces North of the Yangtsze, who in the great reorganisation scheme is the dominant factor. Although things in China are in the curious, uneasy, ill-balanced and absurd state I have attempted to describe; although at most there are but eight divisions of the new troops; although the Chinese officer is in a transition stage and the majority of troops commanded by him can be duly classed as raw levies; and, finally, although generals of the old school such as Ma-Yu-Kun are still kept with their troops near the person of the old Empress Dowager, because of the internal conditions I have hinted at: although all these things undoubtedly



INFANTRY OF THE NEW CHINESE ARMY.



CHINESE CAVALRY OF THE NEW ARMY.

(face page 376, Vol. II.)

exist, the new army will steadily grow up and become more and more efficient and numerous every year. When the Empress Dowager dies or is forced into retirement, as must shortly happen; when the old generals are bought off, and when the country's finances are in a more healthy condition—then the number of troops ready to take the field will increase with astonishing rapidity. In any case in 1906 there will be 100,000 well-drilled and well-organised men and another 200,000 partially re-organised standing behind them. By 1908 these figures will have doubled, whilst in the dim background will lurk half-a-million other men, perhaps untrained, but every one of them possessing modern rifles and plenty of good ammunition. This year the Hankow-Peking Railway will be completed and place the middle Yangtze within a few hours of the North—a revolutionary state of affairs for such a slow-moving country as China. In five years railways will link up all the outlying parts of the Empire, and make the rapid movement of large bodies of troops possible. At Tientsien there is an astute and ambitious Viceroy who understands what military power means as well as any European expert. Already it is understood that an offer has been made him which may be accepted one day—the supreme command and the absolute control of all the land-forces of China. In Yuan Shih-kai's hands an army far superior to that of Turkey would be evolved in less than five years: in ten or fifteen years Japan's forces would be so outnumbered

that she would not dare to attack her big neighbour.

Whether a supreme commander of the Yuan Shikai type is found or not is, however, of no paramount importance at the present moment. The question of questions is that the wholesale rearmament and re-organisation of the Chinese army has been at last openly decided on and admitted by every high official as the only course which will free China of the dangers which surround her. The initial steps have all been taken or are being taken : in three or four years all the arsenals will be ready, a sufficient number of officers properly trained, a sufficient number of weapons bought and sufficient funds collected. Then the refortification scheme will commence, and with railways connecting the coast with inland places, men will be able to be massed in surprising numbers. For the time being no movement will be made which can be construed by anyone into meaning that the day is approaching when a reckoning will have to be made by the debtor Powers ; the Chinese thoroughly understanding that nothing can be possibly done for some years to come, and that the one great object is to gain time and strengthen the country as quickly as the finances will allow.

Fifteen months ago people might have laughed at all this ; after what Manchuria has shown, no one will laugh, for the Far East has ceased to be merely amusing.

And one last word : China and her swarming

millions, who now number nearly ten times the population of Japan, is and will be to the Continent of Asia what Russia is and will be to the Continent of Europe. Russia has temporarily failed because her imagination—that immense and wonderful imagination—has been too big for her. China has failed often, too, for other reasons. But, failures or no failures, considered in its broadest aspect, the Chinese are destined to be one of the three great nationalities of the world. Had Napoleon's horizon not been limited in the manner it was, his famous dictum might have been modified.

At the bottom of the ladder, therefore, with his foot still on the last rung, stands the immense Chinese giant, now with rifle slung clumsily across his back. As he looks blinkingly skyward, does it mean that he aspires to make the stars his tents? Who can say?—for, subject to strange movements of passion, his character is too complex to be analysed.

Meanwhile the Peking diplomats sit contentedly in their Ghetto-like Legation fortress, knowing nothing of what goes on around them. Fortress, forth-sooth! In twelve hours the massed fire of Chinese guns would level everything to the ground, and, twenty minutes after, resolute battalions would butcher every living soul if they wished.

CHAPTER XXXIV

CHINA, HER RELIGIONS AND THE MISSIONARY QUESTION

IT is one of the curious phases of the Far Eastern question that side by side with the never-ending newer political problems the missionaries and their work in China continue to be one of the greatest difficulties. Whether, as has been the case in Japan, a more enlightened Government in China will relegate the missionary question to the background, to which it belongs, by the simple process of decreeing in unmistakable terms a broad tolerance, and enforcing such tolerance by drastic measures if necessary, it is too soon to say ; for in China there have always been a great number of difficulties which have never existed elsewhere. And it is worth while remembering that in the old days in Japan, when it was felt that missionaries and their converts were becoming a menace to the unity of the country, far more terrible measures were adopted by the Shogunate to stamp out the new sects than any that have been noticed in China. With these few introductory remarks, it is well to pass immediately to an examination of the past and

present positions, and to show how Protestant missionaries can at least make their position far more enviable than is the case at present. But first a word must be said about China herself, so that her point of view may be understood.

The religions of China are very hard to deal with rapidly, for they are largely the unfinished results of the curious history of the country. In very remote times the early Chinese fathers possessed a religion—if the ancient State worship still rigidly adhered to proves anything—singularly pure and free from the degrading practices which the lapse of time and the insufficiency of the old cult allowed to grow up. The earliest thoughts on religion of the Chinese have been sought in their primitive written characters, and an analysis of these characters has allowed sinologues to understand something of the thoughts of a period as remote as five thousand years ago. An examination of five primitive characters has been held sufficient to establish incontestable proofs that the early Chinese were monotheists, and that only nature worship and a system of superstitious divination ended by entirely corrupting the original purity of their beliefs. Clear conceptions of Heaven, the Supreme Being, manifestation or revelation, the spirits or *Manes* of departed men, were all possessed by the early Chinese, and it was because these were too vague in the minds of the masses that other practices of a debasing sort were resorted to with greater and greater frequency by the common people.

As time went on the peculiar nature of the Chinese mind began gradually but surely to give these debased conceptions, which were at first vague and shadowy, definite shape. In the Shu-Ching, a compilation of historical documents and the oldest of Chinese books, it is plain that side by side with the old monotheism an inferior worship of spirits had grown up. In these documents it is recorded that the illustrious Emperors Yao and Shun, both of whom reigned some four thousand years ago, sacrificed not only to God, but also to the hills and rivers, and that this worship extended to the host of spirits. To the Chinese mind, always grouping everything in regular tiers from the superior to the inferior, it did not seem surprising that, subordinate to the homage due to the Supreme Being, an inferior worship should be extended to all the spirits of those things which had been created by that Supreme Force.

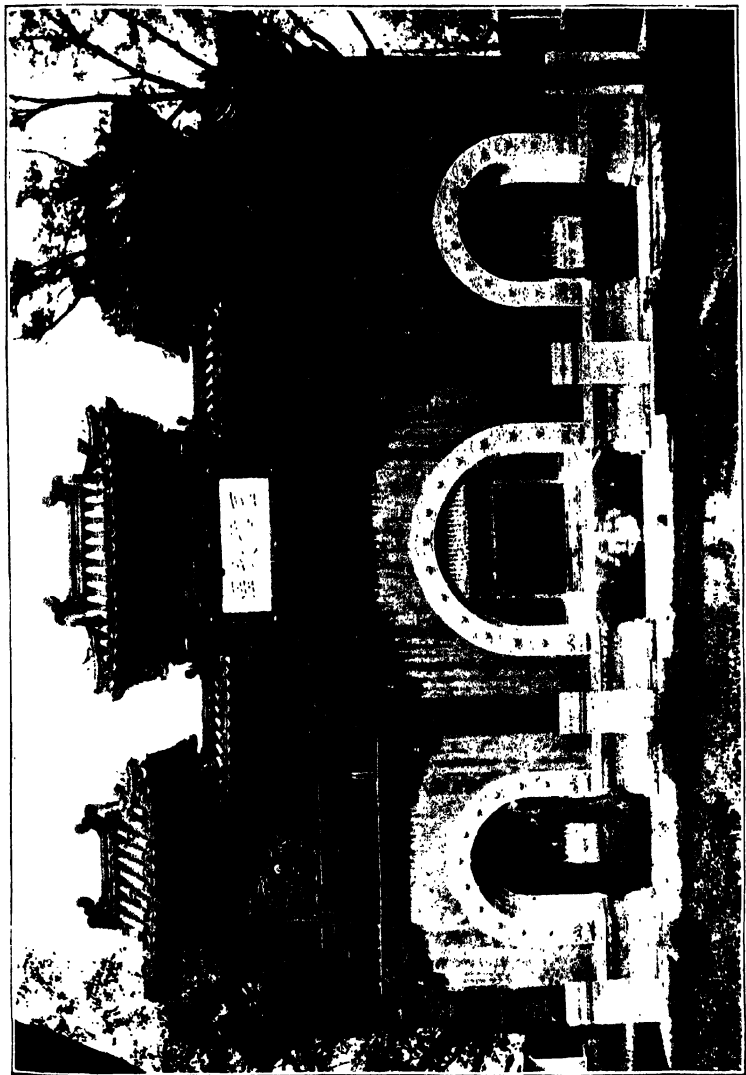
A thousand years later than the reigns of these Emperors, Yao and Shun, it is clear from the language used in the declarations made during the sacrifices offered by the sovereign that the Chinese had travelled considerably farther away from their original conceptions. The Emperor still sacrificed at the round altar to Heaven and at the square altar to Earth, but, although this homage existed, it was plain that the organised worship of spirits had much corrupted the original purity. Divination, spirit worship and ancestor worship must have made immense strides by this time with the common

people, and made them all but ignorant of their first conceptions of God. It was sufficient that the Emperor, Son of Heaven, should pay homage to the Supreme Being, whilst they, the common people, must content themselves with an inferior worship. That all nature was conceived to be a manifestation of God, and to be peopled with spirits superintending and controlling its different parts, was now clearly the general idea; and in their ancestor worship the common people further proved that they considered all life a mere tissue of births, a conception of which the natural corollary appeared to be respect to the dead, who had created the living. And there is another point. The division of the entire Chinese community into four great classes of the officials, the agriculturists, the mechanics or workers, and the traders or merchants is very ancient, and in none of these classes is there any indication of a priesthood. The Emperor himself in his State worship presided as the parent and representative of his people, and was never in any sense a priest. He merely acknowledged the dependence of all on the Supreme Being for life, and by humbling himself sought the favour of Heaven for himself and his people. Thus, whilst the worship of God devolved on the head of the State, the inferior worship of spirits was indulged in by Emperor and people alike.

It was whilst these religious practices were in serious danger of being much harmed by the corruption of the times that Confucius was born, in

the sixth century before Christ. Looking about him, he saw disorder and dissension everywhere, The feudal States were warring with one another ; the people were oppressed, and the old books and learning were scoffed at by all. Confucius set himself promptly to work as the champion of the old, and, taking the history of the illustrious times of the Emperors Yao and Shun as his text, he sought to impress on his disciples and all those he was brought into contact with, the desire to revive the Golden Age. Filial piety and the worship of parents became immediately part of the Confucian system, That everyone was but a link in an endless chain of human beings was a theme on which he was never tired of dwelling. The gospel of Confucius was, therefore, of a peculiar order which has given rise to doubt in many minds as to whether his teaching is a religion or a philosophy. It is neither the one nor the other in the strictest sense of the words, but rather an odd mixture of both, compounded in a way specially dear to Chinese minds. It is too materialistic to be termed a religion, and yet too spiritualistic to be a philosophy. It may be said, perhaps, that Confucius wrote in a strain only to be familiar in Europe twenty-five centuries later.

The Confucian revival—for it was nothing else—ended by re-establishing in the minds of the *litterati* the ideas of obedience and respect for the throne, and in the minds of the common people the necessity for preserving carefully those relations which had held together the Chinese social structure. In-



THE CONFUCIAN TEMPLE IN PEKING.

deed, Confucius proclaimed the virtues of the simple life so successfully that he has remained for twenty-five centuries the philosopher and guide of all who had sufficient learning to enable them to read.

The discipline imposed by the Confucian teaching made it possible for a great dynasty like the Han to become firmly established two centuries before the birth of Christ, and to minimise the internal dangers arising from disorders caused by the warring feudal States. Under the Han rulers the authority of the throne was once more firmly established, and China began to progress again. The rulers of China, now pinning their faith exclusively to the politico-ethical tenets of Confucianism, could witness the coming of Buddhist priests with equanimity. When the first Buddhists entered China during the Han dynasty—probably about the year A.D. 60—they found law and order strong and well preserved, and, prostrating themselves humbly before the throne of the Son of Heaven, they begged that they might be allowed to teach their religion. As soon as it was found that Buddhism contained nothing which was subversive to the State, consent was quickly given. The Buddhist priests, looking around them, and being of the East, quickly understood the exact position of affairs in China. They saw that (as the great Manchu Emperor Kang-hsi many centuries later replied to the Jesuits) “the customs of China are political.” Filial piety and ancestor-worship were therefore smiled upon by them, and the populace, delighted with the orderly and impressive services of

this new religion, which adapted itself so skilfully to local conditions, became Buddhists in immense numbers.

With the growth of Buddhism, Taoism, or the sect of Rationalists, grew quickly in importance. The Taoists, until the coming of the Buddhists, had been of small importance. Founded by Lao-tzu, or the "Old Man," they did not rise to be a power until the Buddhists had taught the duty of practising impressive ceremonies—the stagecraft of religion necessary for the common and unthinking masses. Lao-tzu had been a contemporary of Confucius, and, living in the troubled times of the sixth century before Christ, had, after some disappointments, retired from the world and lived the life of an ascetic. He had been a great rival of Confucius, and had deplored the Master's preaching to great masses of disciples and the manner in which he made himself notorious by actively concerning himself with the politics of the day. Dying suddenly in a place which has remained unknown to this day, Lao-tzu left behind him but a single small volume containing 5,000 characters—a book entitled, "The Tao-té Ching," so mysterious that its translation has taxed the best endeavours of eminent sinologues, and is still incomprehensible in many parts.

This mysterious book, however, soon became the delight of Chinese commentators, who, busying themselves with its interpretation, gave birth to the sect of Taoists or Rationalists. After the Buddhists had entered China, the Taoists boldly borrowed, and

only slightly modified, the robes and ceremonial of the disciples of Buddha, and thus evolved a priesthood and a religion of a peculiar order. In the Taoist pantheon are to be found an immense number of gods, partly of Chinese and partly of Indian origin; in their beliefs and superstitions the Taoists incorporated all the beliefs and superstitions of the common people of China handed down from the old days, thus satisfying all left unsatisfied by Buddhism. And in this way it was not long before Lao-tzu became a divine personage. By A.D. 423, the chief priest of Taoism had the title of Heavenly Teacher conferred on him by an Emperor, and now the Pope of Taoism lives in the Dragon and Tiger mountains of Kiangsi.

By the first centuries of the Christian era, therefore, the religions of the Chinese had become entirely different from the reasonably pure early beliefs. Buddhism and Taoism, each incorporating as much of the early rites and superstitions of a once monotheist people as they cared to, had won over the masses by their impressive services. And although the *literati* affected to laugh at these teachings, even they, persuaded by the women of their households, came to rely upon the miracle-working priests of either one religion or the other to rescue the souls of their relatives from the punishments of Hades by the performance of solemn masses. The Throne of China alone, with its course of action clearly defined by Confucius's masterly exposition of the Canons of Yao and Shun, stood far above these things, and in

the impressive State Worship proclaimed that the Emperor, as Son of Heaven, possessed a divine right derived from God ; that respect was paid by the sovereign to that God on the appointed occasions ; and that so long as the people worshipped their ancestors, and thus testified that they were the dutiful offspring of men who had lived before them, and who in turn had been the obedient subjects of the Throne, they might believe whatever else they pleased. Thus, whilst the conceptions of the people were becoming more and more blurred and indefinite through the multiplication of minor gods, the growth of curious practices, and the introduction of priest-hoods which delighted in mystery, the attitude of the Throne of China did not change perceptibly. It became, perhaps, slightly modified with the flux of time, and the spirit-world became more and more definite, but the main idea was always the same.

The religions of China, compounded in the odd fashion which has been related, were, comparatively speaking, old before Christianity journeyed so far towards the rising sun. The earliest recorded attempt to impart a knowledge of Christ to the Chinese is ascribed to the Nestorians in the sixth or seventh century. The time of the arrival of the Nestorians cannot be exactly specified, but some authorities place it as early as A.D. 505. It was the Nestorians who, journeying under great difficulties from the Eastern Empire, brought the 'silkworms' eggs from Seres, as old China was then called, to the West, and from a careful study of dates it

appears that these monks must have accomplished their great travels by land during the first part of the sixth century. It was not until 1625 that the early Roman Catholics discovered at Hsianfu, the capital of Shansi province, the celebrated Nestorian monument, a monument whose remarkable inscription, chiselled in Chinese on stone and bearing a date which corresponds to the year 781, proves more than anything else the strong footing the Nestorian Church once possessed in China. Space does not suffice to quote this écho of the past in full, but it may be said that all the Gospel and something of the Old Testament history were found on this tablet commemorating the diffusion of the "illustrious religion" in China. The most important part of the Nestorian monument from the purely political point of view is the clear record it gives of the reception accorded to Christianity by the Emperors of China of the seventh century. In A.D. 636, a man of superior virtue called Olopun, says the inscription in its quaint language, arrived from Judea. The Emperor himself instructed his Minister to take the Imperial sceptre, receive the guest, and conduct him to the Palace. Then the Emperor in his private apartments made inquiry regarding the new religion; and, fully satisfied that it was correct and true, he gave special orders for its promulgation. The Imperial Decree bearing a date corresponding to August, 639, must be allowed to speak for itself. It runs thus: "Religions are without invariable name. Saints are without any permanent body.

In whatever religion they are they give instruction and privately succour the living multitudes. Olopun, a man of great virtue belonging to the kingdom of Judea, bringing the Scriptures and the images from afar, has come and presented them at our capital. On examining the meaning of his instruction it is found to be pure, mysterious, and separate from the world. On observing its origin it is seen to have been instituted as that which is essential to mankind. Its language is simple, its reasonings are attractive, and to the human race it is beneficial. As is right let it be promulgated through the Empire. Let the appropriate Board build a Judean temple in the Righteous and Holy street of the capital and appoint thereto twenty-one priests."

This extract is in all respects a remarkable one. For it explains at once the extraordinary attitude of the Throne of China towards all religions, an attitude, which has been carefully preserved for thousands of years and which is now as strong to-day as it has ever been before. To the Emperors of China, holding their fixed and definite ideas and worshipping God in a pure and impressive State worship, religions for ordinary men are but the interpretations by saints and scholars of things celestial, and therefore amplifications of one grand truth. The Imperial rulers, as the fathers of their people, must satisfy themselves in every case that what teachers wished to teach contained no subversive doctrines. Once this had been clearly established, and the popular practice of ancestor-worship,

insisted on by the Throne, left alone, new-comers might do as they pleased.

Thus the Nestorians, after obtaining the direct sanction of the Throne, began to prosper in China. Churches were built and converts made probably in great numbers ; and for at least two or three centuries this early Christian Church flourished. Marco Polo in his loquacious book refers to the Nestorians, who in his day, which was upwards of five hundred years after the proclamation of the Imperial Decree quoted, were both numerous and respected. There is every reason to believe, however, that this early Christianity almost immediately degenerated into a species of Buddhism, and that, separated by many thousands of miles from Christian countries, it was impossible for the members of the priesthood to preserve the essentials of their religion.

With the fall of Mongol power in China during the fourteenth century and the establishment of the purely Chinese dynasty of the Mings, all trace of the Nestorians is lost. What fate overcame them no one knows ; but possibly, looked upon as barbarians, they were hurled out of the country with the collapse of the Mongol Yuan power. And, finally, it must be noted that Mahommedan missionaries arrived and began their work in China about the same time as the later Nestorians, and being able to accept ancestor-worship in the same way as the Buddhists had done before them, they increased and preserved their power through all the many changes of dynasties. We now enter a new period.

The history of the Romish missions in China begins, strictly speaking, with the coming of the first Jesuit, Matteo Ricci, who established himself at Canton in 1581, and, from that day on, the adventures of this gallant if mistaken priesthood read like some romance. Attempts had been made previous to the coming of Ricci by Roman Catholic missionaries to penetrate to the extreme East. In the thirteenth century Pope Nicholas IV. had attempted to establish a hierarchy in North China and Mongolia, but it had soon collapsed ; and the celebrated Francis Xavier had also attempted to land in China before Ricci, but permission being denied, he had died in sight of the mainland on an island near Macao.

Matteo Ricci, therefore, may claim the honour of being the first of the remarkable chain of men despatched by Rome to effect the conversion of the Chinese, and who, by exhibiting extraordinary perseverance, at last reached Peking. Here it is interesting to note that until the sea-route to the Far East was made easy by the establishment of settlements in India, Christianity was doomed to languish. The rapid conversion of Europe, at a date approximately the same as that on which the first Nestorians entered China, must be attributed to climatic and geographical reasons, and to the absence of a culture in which the Chinese already excelled. For in China the conditions were entirely different even at the time of the advent of the early Nestorians. A host of philosophers had

already taught their doctrines for hundreds and hundreds of years. Buddhism and Taoism had only made good their footing by compromising with the people and permitting the various Chinese practices and superstitions to be incorporated in their own beliefs. Had Buddhism refused to tolerate ancestor-worship, superstitious divination and other purely Chinese products, it would have made as little progress as Christianity has done.

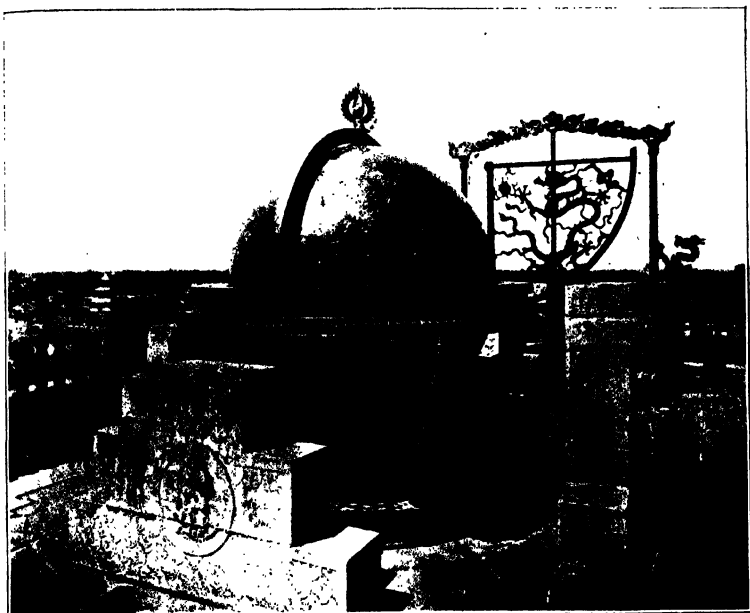
Ricci, a man of great ability, must have speedily understood these things, for he applied himself immediately to the study of all things Chinese before he ventured to speak directly of his mission. As soon as he had acquired an exceptional facility in the Mandarin or official dialect he began lecturing on the exact sciences before delighted audiences of the *literati*. Progressing slowly across Southern and Central China, it was not until January, 1601, or twenty years after his first arrival at Canton, that he reached the capital, Peking.

The Ming Emperor Wan-li, hearing nothing but good reports about Ricci owing to the manner in which the latter had used his extensive acquirements with the high Chinese officials, permitted this first Jesuit to act much as he pleased at the capital, although reports were already arriving from Japan that the men of this new sect were causing trouble. Soon other Jesuits, hastily summoned by Ricci, began to arrive, and in a very few years the Roman Catholic mission in Peking had become a redoubtable power. Many rich converts were made, who

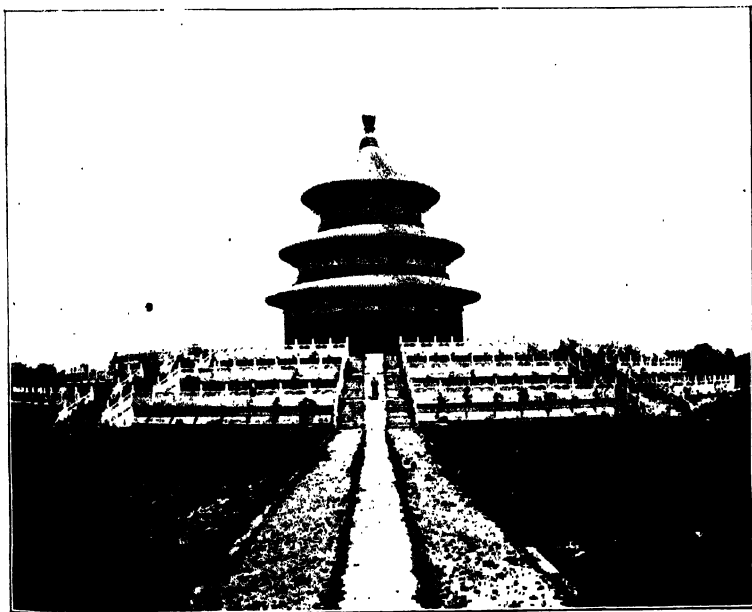
placed their wealth at the disposal of the preachers of the new religion. By devoting themselves both to the propaganda and the preparation of countless scientific books, the Jesuit Fathers managed to make many converts and yet placate the powerful *litterati* classes.

Ricci, now appointed superior of all the missions by the general of his order, allowed converts to practise the rites of ancestor-worship, on the ground that he considered them purely civil in their nature. Thus by delighting the Emperor with the distinction of their address and their courtly manners, the Jesuits gained the support of the Throne ; by placing their rich learning at the disposal of Chinese scholars in splendidly prepared Chinese texts, they disposed the polite classes to smile on them ; and, finally, by viewing the question of ancestor-worship from a very catholic standpoint, they soon attracted the masses towards a religion at once so lordly and so tolerant.

Ricci died in 1610 at the age of eighty, leaving behind him converts who were already numbered by the ten thousand and whose ranks were being swelled at a phenomenal rate. Indeed, so surprising was the success which now attended these Jesuit efforts that the high officials of the Empire began to be alarmed, and steps were taken to limit an activity which was so constantly increasing. Thus in 1617 an Imperial Decree was actually published ordering the missionaries to leave Peking, proceed to Canton, and there embark for Europe ; but the skill of the Jesuits allowed them to make this edict a dead-letter.



THE OLD JESUIT OBSERVATORY IN PEKING, LOOTED BY THE GERMANS.



THE TEMPLE OF HEAVEN.

[Face page 388, Vol. II.]

Again and again were edicts of this character launched against the devoted Fathers and ignored by them. Already more Chinese than the Chinese themselves in their power of appraising the true attitude of the Government, the Jesuits understood exactly how to smile politely and remain exactly where they were.

In 1628, by skilful intrigue, Schaal, a remarkable German Jesuit, was recommended to the Emperor, and soon his great talents and learning enabled him to exercise an influence at Court which the high native officials sought in vain to combat. But now Dominicans and Franciscans, learning of the success of the Jesuits, began to flock to China, and the coming of these rival orders soon gave rise to questions which ended by making the position of Roman Catholics in China an intolerable one. The conflict between the rival orders was for a time postponed by the parlous position of the Ming dynasty. The Manchus had then already seated themselves on a throne at Moukden, which they proclaimed Imperial, and their declared object was to fling the Ming dynasty in the dust and seat themselves on the Peking throne. Between the years 1630 and 1660 the Manchus were therefore wrestling for what was then the richest Empire in the world. By 1644 they had reached and captured Peking, and Shun Chih was proclaimed the first Emperor. It was fully twenty years, however, before all China was subdued, and during this interval the Catholic Fathers played a strange part.

Those in the North of China sided with the Manchus and cast cannon for them with which they might vanquish their enemies ; whilst those in the South openly helped the Ming adherents and sought to stop the victorious progress of the Tartars. The latter, however, soon proved irresistible, and China was at last completely conquered.

As long as the young Emperor Shun Chih reigned the influence of Schaal proved too strong for the enemies of Roman Catholicism ; but on the death of the first Manchu sovereign, determined efforts were again made to drive the Jesuits away. The Chinese officials pointed out in passionate memorials to the Manchu regent that the rival Christian orders were already fighting amongst themselves about the meaning and worship of Heaven and the Supreme Being as practised by the Throne ; that in Japan the Catholics had produced intrigue, schism, and civil war ; that the members of the different orders wore distinctive badges and medals ; that rosaries and crosses were distributed among the people, who were always ready to follow their chiefs ; and that the Missions had therefore become a direct source of danger to the State.

As a consequence of this denouncement, Schaal, who was actually at the time the tutor of the young Emperor Kang-hsi, perhaps the greatest sovereign who has ever reigned in China, along with all other Jesuits, Franciscans, and Dominicans, were either imprisoned or driven out of the country ; but many of the Fathers were hidden and protected by the

people, who endured every ill sooner than give them up. It was not until the enlightened Kang-hsi took up the reins of Government that a change occurred. The imprisoned missionaries were released, and Verbiest, another such intellectual giant as Ricci and Schaal, was appointed Imperial Astronomer and ordered to regulate the calendar. Verbiest soon showed himself a missionary militant of the most pronounced type. He proved that the Chinese astronomers knew nothing about their business, and in an elaborate work entitled *The Perpetual Astronomy of the Emperor Kang-hsi* so delighted the Manchu sovereign that he ennobled Verbiest and all his kindred as a special mark of favour. The other Jesuits did not hesitate to use the same title as had been conferred on Verbiest, and soon their doorposts were emblazoned with honours to which they had no claim. Had the Jesuits been the only religious order in China, there can be but little doubt that the extraordinary ability they exhibited on all occasions when their adversaries baited them would have been sufficient to gain for them a position from which they could never have been ousted. But the presence of the disciples of Dominic and Francis made the followers of Loyola unable to work as they wished.

The question of ancestor-worship was the rock on which they were all fated to split. Ricci had drawn up a set of rules in which he classed the rites paid to the dead and to Confucius as purely civil and secular. The Dominicans on the contrary declared

the customs in question idolatrous and sinful. The matter was then referred to Rome, and Pope Innocent X. endorsed the Dominican view. Irritated by this opposition, the Jesuits despatched a special agent to Rome, and with such skill did he argue his case that in 1656 Alexander VII. reversed the previous decision and approved of the opinion that the Chinese rites possessed only a civil nature.

For some years the matter remained in this inconclusive state whilst the various orders wrangled in China. The opponents of the Jesuits argued that the disciples of Loyola only concerned themselves with political matters and had not taught their converts anything of religion. In 1693, a French bishop in China re-opened the question by denouncing all Chinese rites, and the Jesuits, much enraged, answered him by carrying the matter before the Emperor Kang-hsi, and in an eloquent memorial recited clearly the consistent attitude they had maintained. According to them Confucius was honoured in China as a legislator; ancestral rites were only observed to exhibit the love felt for obedient ancestors; and the sacrifices offered to Heaven by the sovereign were not tendered to "the visible heavens" but "to the Supreme Master, Author, and Preserver of Heaven and Earth and all they contain."

The Emperor's reply came in the following year, 1700. In it he declared that "*T'ien* means the true God and the customs of China are political." This is a very extraordinary statement and shows that

any practices excepting those approved of and praised by Confucius were regarded by the Throne as sub-religious, if such an expression is permissible, and that if they violated the Chinese canons they must be summarily condemned. Thus it had been possible for Buddhists, Taoists, Mahommedans, Nestorians, and Jews to profess their various religions because the worship of the Chinese does not consist in doctrines, but simply in rites and ceremonies. These rites and ceremonies can be performed by men of any religion, and only when they are spoken of as pernicious does the State become alarmed. From the Chinese point of view the performance of the prescribed rites and ceremonies makes Chinese loyal subjects, and all who refuse to perform them are simply men who refuse to acknowledge the authority of the Throne. All this is further proved by the facts that there has never been any hierarchy in China; that no body of priests has ever been able to rise to real power and influence and form a hereditary religious caste like the Brahmins; and that the objects of State worship are things. It may be true that this worship in practice had degenerated into Sabianism, but theoretically and documentarily it was not so. But how pure were these conceptions in theory, even as late as the eighteenth century, is proved by a single precept from Kang-hsi's Sacred Edict, which illustrates the Chinese root-idea admirably by saying: "Esteem most highly filial piety and brotherly submission in order to give due import-

ance to the social relations." Between this and the fifth commandment there is but little difference.

It will be seen, therefore, that the Emperor's reply was no hypocritical one; but although the Jesuits exerted all their power to obtain the Pope's endorsement it was all in vain. In 1704, Clement XI. confirmed the decision that Chinese rites were idolatrous, and a papal legate arriving in China ordered all native converts to desist from the practices interdicted by the Pope. Kang-hsi was not the man to tolerate such interference, and he responded in 1706 by declaring that missionaries preaching the doctrines of Ricci would be countenanced, but all others would be persecuted. In other words, Kang-hsi made it known that all those who wished to break with the Chinese social structure would be outlawed.

For a number of years things remained in this curious state; but it is worthy of note that subsequent to this decree ten Jesuits, by the Emperor's special command, undertook the survey of China, which has been correctly described as the most complete geographical work ever executed outside of Europe. All modern maps are based on this Jesuit survey, and many lakes and rivers in China which have since dried up are still shown on all maps as they appeared in the eighteenth century.

The survey of China was, however, the expiring flicker of the glory of these early missions. In 1723, Kang-hsi died, and the new Emperor launched his well-known Edict of 1724, in which the propaga-

tion of the Catholic religion was absolutely prohibited. All missionaries not required at Peking for scientific purposes were ordered to leave China under pain of death, and the converts, now numbered by the hundred thousand, were thus deprived of their spiritual guides. The second act of the romance of Roman Catholicism in China was a gloomy one, but just as remarkable as the first. The proscribed missionaries, escorted to Canton, stole back to their flocks in various disguises, and their converts showed a devotion which has become legendary in the East. For years and decades they protected them, and many new priests from Europe secretly went to their aid. Although the manner in which the Romanist missionaries conducted themselves was no modest one in their days of glory, still when the persecution began they showed extraordinary resolution and devotion. Ripa, a priest of many accomplishments, writing of the time before the persecution, describes the situation in an excellent manner. He wrote :

“If our European missionaries would conduct themselves with less ostentation and accommodate their manners to persons of all ranks and conditions, the number of converts would be immensely increased. Their garments are made of the richest materials ; they go nowhere on foot but always in sedans, on horseback, or in boats with numerous attendants following them. With a few honourable exceptions, all the missionaries live in this manner ; and thus as they never mix with the people they

make but few converts. The diffusion of our holy religion in these parts has been almost entirely owing to the catechists who are in their service, or to other Christians, or to the distribution of Christian books in the Chinese language. Thus there is scarcely a single missionary who can boast of having made a convert by his own preaching, for they merely baptize those who have already been converted by others." But after the persecution rich garments no longer clad the Fathers, but rather sackcloth and ashes. Working valiantly, the supporters of the missions in Europe contrived to send money and priests continually until the opening of China in the nineteenth century stopped all open persecution.

With the dawn of the nineteenth century the first Protestant missionary arrived. Robert Morrison, an Englishman sent out by the London Missionary Society, arrived in Canton in 1807. Shutting himself up in a room of a factory belonging to an American firm, he gave himself up entirely to the absorbing study of Chinese, and it was not until the dissolution of the East India Company in 1834 that it was wise for him to emerge. For the traders of the day did not smile on missionary endeavour, seeing only an extra cause for friction between the Chinese and themselves. Morrison had written the first dictionary of Chinese in six quarto-volumes, and, in conjunction with a second Protestant, Milne, had translated the Bible. For the time being it was impossible for any European to leave the safety of

the factories. But in the 'thirties Gutzlaff, Medhurst and others, seizing the opportunities offered them, voyaged up the China coast in brigs and junks and distributed thousands of copies of the New Testament. A missionary hospital was established in Canton, printing presses set up, and thus in a number of small ways a beginning was made in this new work.

The swing of the pendulum soon brought Protestant missionaries into the country in ever-increasing numbers in spite of all the difficulties. The missions which had already been established amongst the Chinese in Penang, Singapore, and Java now began to transfer themselves to China, and with the signature of the first modern treaty, the treaty of Nanking, Protestant missions were opened at the five treaty ports of Canton, Amoy, Foochow, Ningpo, and Shanghai. Beyond the limits of the foreign settlements no one might venture ; but it is worth noting that at the end of the 'thirties and the beginning of the 'forties, Hung, the leader of the great Taiping rebellion, went mad and started the Taiping rebellion on its terrible way through meeting some native catechists, who filled his brain with many partially-digested things. Rightly or wrongly, Chinese official opinion considered that the Taiping rebellion was started through the indirect efforts of the Protestant missions. Thus inoffensive Protestantism was soon looked upon as a religion only propagated by Englishmen for political reasons.

With the Taiping rebellion devastating half the

country, and only an armed neutrality existing between England and China, the Protestant missions could make but little progress. It was not until the ratification of the Tientsien treaties in 1860 that the interior of China was reached. And here another point of discord arose. A clause in the French treaty of 1858, introduced, according to the Chinese, by trickery, alone permitted missionaries to go into the interior. Too much has been said about this clause. Since, under the treaties, everyone had a right to go into the interior under the passport system, and the French missions still owned a considerable amount of property which had been preserved through all the period of oppression, it cannot be denied that the missionaries were entitled to avail themselves of the opportunity for proceeding inland presented to them in common with all other Europeans. Again, every treaty, beginning with the treaty of Nanking, contains a specific "toleration" clause, and as the passport procedure for those proceeding into the interior is likewise minutely specified, it is impossible to deny that missionaries possessed a treaty-right to do as they liked, and that what Roman Catholics did Protestants might do likewise under the most-favoured-nation clause.

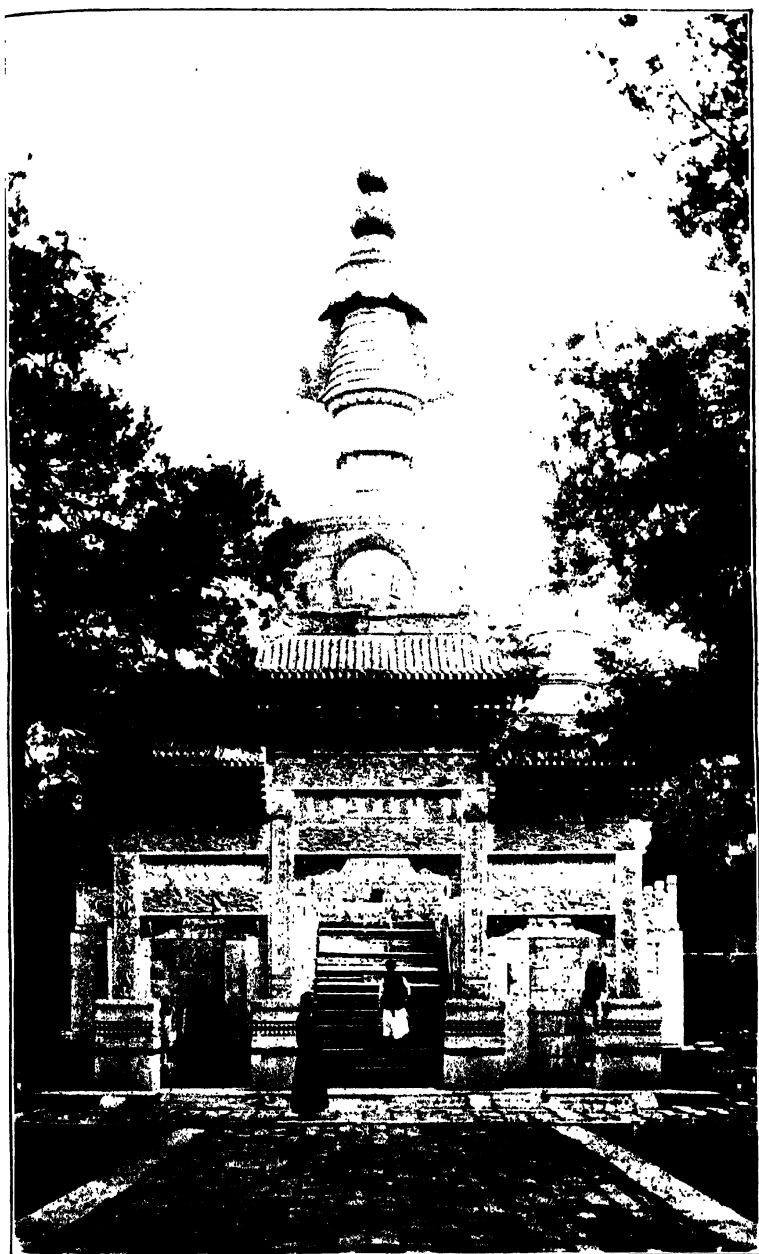
It was but natural, therefore, that after the full ratification of the Tientsien treaties and the final crushing of the Taiping rebellion, both Roman Catholics and Protestants flocked into the country. The Protestants, at first largely outnumbered by the

Roman Catholics, received great reinforcements from year to year, until to-day English and American missionaries are far more numerous than those under the control of the See of Rome. The four decades before the Boxer outbreak were occupied in extending and consolidating the missionary position all over China. The Roman Catholic missions speedily rose to an opulence and dignity they had never known before, and the entire Empire, divided up into bishoprics, was mapped out by the propaganda in a manner calculated to give the best possible results. The impressive services of the Catholic Church, the processions, and the rich garments, were alone enough to attract a great number of adherents, and when the Elevation of the Host is accompanied, as it is to-day, by an immense discharge of discordant fireworks, it is but natural that many Chinese should view the *Tien Chu chiao*, or Religion of the Lord of Heaven, with much admiration.

But in spite of the undoubted progress which Roman Catholicism and Protestantism made in China during this post-treaty period, the fact became more and more clear as time went on that neither the Central Government, nor the territorial officials, nor the *literati* could disguise from themselves that the propagation of these religions meant the establishment of empires within an empire, and that every convert made was a brick torn from the vast Chinese structure, to be used for the building up of a rival fabric. This spelt, from their point of

view, not progress but destruction. By virtue of the extra-territoriality clauses the foreigner, no matter whether he was a rich man or a poor man, a missionary or a merchant, must be governed by his own laws, even though he wandered a thousand miles into the interior and had vast seas of yellow faces between him and his own kind. Thus the missionary, no matter how humble and contrite a heart he possessed, was a privileged person. He could with impunity disregard all the laws and customs of the Empire; he could tell the people that the customs of China, specifically stated by Kang-hsi to be purely political, were idolatrous and wicked, and must therefore be given up; and, last of all, he could act rapidly, and therefore unwisely, whenever he wished—unwisely since ungraceful haste is un wisdom in the East. All this further upset and damaged the Chinese Government system, whose equipoise had already been much upset and damaged by a half century of European intercourse. Lastly, this same missionary, grasping his Bible or cross, and perhaps believing devoutly in his divine mission, was prepared not only to disregard the laws himself, but even to defy the Chinese Government and all Chinese officials if they sought to lay hands on his newly-gathered flock.

Thus the Tientsien treaties, instead of placing things on a firm and sound footing, made matters worse than they had been before—speaking, that is, from the Chinese point of view. For a few years there was complete peace in China, but only long



A PEKING TEMPLE.

[Face page 400, Vol. II.]

enough for the various forces and factors to gather sufficient strength to find expression. Then horrible massacres and uprisings took place with disconcerting frequency, and from the seventies it is one long story of anti-missionary movements in which hundreds of lives were lost, and a gunboat policy became necessary wherever gunboats could go. This was but an additional proof to the Chinese that religion and politics ultimately mean the same thing for the European, and that both must be dealt with in much the same way,

For the Roman Catholic Church such century-end developments meant very little. Proud of the historical position which the Church of Rome possessed, the Catholic missions in China, with much wealth invested in land and buildings all over the interior, scoffed at the newcomer Protestants and soon took up a distinctive attitude. They seemed to say clearly to the Chinese everywhere:—"We are the princely Church, to us must all come; our predecessors have been the associates and teachers of Emperors; in Peking our great temple is within the walls of the Imperial City; and all of us have come to China never to return." The plebs might sometimes rise and kill Catholic priests because they tampered with native households, but the Bishops and vicars apostolic smoothed over such occurrences and, except in outrageous cases, made as little use as possible of the new-fangled extra-territorial rights they now possessed. Indeed it may be said that the Ricci

attitude had sunk deep into their hearts, and that although Rome had decreed the Chinese rites to be idolatrous, Roman Catholic missionaries were determined to identify themselves as much as possible with the Chinese people, and to make the Catholic church a Chinese church merely under the spiritual guidance of the See of Rome. Thus, although the privileges which the Roman Catholic missions demanded and obtained in 1898—the right of Bishops and other priests to be given a specific Chinese rank, making of Bishops the equals of Chinese provincial Governors—has been generally assumed to have been but an expression of the great attempt which the continent of Europe made in that year to break into the Chinese Empire, from the Romanist point of view the object was quite different. It was made simply to give the chiefs and high officers of the Mother Church an official Chinese standing—a step which it was hoped would finally induce the populace to look with the same eyes on Roman Catholicism as it did on Buddhism and Taoism.

Whilst the Romanist attitude assumed this clear aspect, Protestant missions were in an intermediary stage. The example set by Morrison, Milne, Medhurst and Gutzlaff, of printing and distributing religious matter, was followed, and even followed too closely; for Protestant missions in China, being young, were also foolish. Relying upon contributions from England and America and not possessing great property like the Church of Rome, the

missions wished to have tangible results to show their supporters at home. In other words, they were in an unseemly hurry to make converts—to put the roof on the house before the foundations were properly laid. Of course this made for bad or indifferent results, and led to frequent trouble owing to the facilities granted to converts. The supporters of the missions at home, who were but vaguely informed as to the geographical location of China, and equally oblivious of the whole history of religion in this vast Empire, and the peculiar conditions obtaining in a very perplexing country, and who contributed munificent and often magnificent sums for the “conversion of the heathen,” perhaps imagined that their emissaries had only to present themselves Bible in hand to have a vast population bursting into *Jubilate* and proclaiming themselves the contrite converts to a Heaven-sent religion. The extensive reference which has already been made to the exact attitude of the Chinese Government and the Chinese people on this all-important politico-religious question, has mainly been made to show the foolishness of such ideas and to prepare the ground for the suggestions which are tentatively offered hereafter.

The difference between the Roman Catholic and Protestant missions in China will now be clear. The first are rich, powerful, and homogeneous, and possess a definite policy, which aims rather at the mere conversion of the Chinese masses than at the gradual enlightenment and final reform of the whole

Empire. With converts stated to number a million and a half souls, with great wealth supposed to produce two or three millions sterling a year invested all over China, with proud Bishops ranking beside provincial governors, and demanding all the privileges due to their rank, the Church of Rome takes its place, naturally, on the side of what has been termed the Continental Block. It must be ranked, therefore, as a disintegrating influence in the Far East, and as opposed, heart and soul, to the principles of which the Anglo-Japanese Alliance has been the most recent eloquent expression. As such it passes beyond the limits of this discussion.

The Protestant missions, now numbering no less than thirteen hundred missionaries, are scattered all over China, and include a great number of denominations. It is estimated that from £1,000,000 to £2,000,000 are collected yearly in England and the United States for these missions, and that this total tends to expand. Plainly, the two premier business nations in the world should not be satisfied unless this large sum is profitably invested, and not squandered on useless work. The first thing that is necessary is that for a period of at least twenty-five or thirty years the greater part of this money should be expended in almost purely secular educational work, and that all Protestant missions should establish a uniform system of schools in which a good general education would be given—for nothing when no payment was possible, for a modest fee when circumstances would permit. The

need for this preliminary scholastic work has now been recognised by the Protestant missions in China to some extent, but they dare not do as many of them recognise they ought to do, because mission supporters at home will not understand. In other words, the classes who support missions abroad want immediate results for their money, and must see so and so many converts for every thousand pounds invested, or else they are seriously displeased. This may be stating the case brutally, but it is a truthful statement, for it is with the utmost difficulty that the heads of Protestant missions have succeeded in partly persuading their patrons that secular education must form a large part of the Protestant programme to effect any good. Even now the great China Inland mission, numbering nearly eight hundred members, is only beginning to recognise the mistake it has made in the past in this matter, and is tardily attempting to remedy it. And even now the custom of allowing missionaries to masquerade in Chinese dress is still adhered to, and is severely to be reprimanded, for nothing is more pitiable to Chinese eyes than to see a white man or a white woman in a garb which is as unsuited for the Caucasian as the incomplete Hawaiian flower-covering would be in a London ballroom. The missionary is in the curious position of bringing back to the East a religion which was originally launched by the East, and in doing so he abandons his essential Westernism and takes to the Chinese garb. As the Chinese have

well remarked, "This is not serious work, but mere foolishness."

Second only in importance to educational work comes hospital work. It has long been recognised by Protestant missions that this should play a serious part, and from the very beginning there have been mission hospitals in many places. But there have never been enough. That these hospitals exert an extraordinary influence is a fact. In the case of the medical missionaries of Manchuria, it is quite certain that thousands of Chinese would come forward, if necessary, and offer their lives for these men to repay what has been done to succour the villages on the plains around the Liao during the terrible course of the war. The part which hospitals should play in mission life everywhere is, therefore, a great one, and side by side with the mission school should be in every case a mission hospital. For the time being, it may be impossible to do as much in this direction as is necessary, but it will have to be finally recognised that educating, cleaning, and healing form the three things above all others which the Protestant missionary in China must be prepared to do for many years to come, leaving proselytising entirely to native catechists. The missionary must preach with a school book in one hand and a bar of soap in the other, and should have medicine bottles and instruments in his pockets. This may seem rough enough pioneer work at the present time of day, but it is work that is absolutely necessary to clear away the immense

masses of semi-decaying matter now lying on the ground in China. The dry-rot of ages calls for drastic measures, suggested by common sense, and not for Bible portions.

The American missions, possessing few traditions and unhampered by conventionalities, have already recognised the truth of all this, and are working on a system which would have been deemed revolutionary twenty years ago. They own and operate big printing and publishing establishments, from which great quantities of every kind of literature are turned out; they are making their hospitals very up-to-date affairs; they are making model schools, and are evolving a new kind of missionary, who still shocks the old-fashioned. But this new kind is the kind that is needed; and, although the old method of being martyred by an infuriated populace may seem more picturesque, picturesqueness will soon count for very little in the Far East, and the new movement now developing will leave the missionaries high and dry unless they are very careful. That there are many objectionable features in the missionary movement is certain, but these are rather temporary shortcomings than inherent defects. Thus it is true that many missionaries are lodged in a manner which is absurd for persons who state that they use the New Testament as their guide, and that a large number are full of cant; but this arises largely from the fact that too many missionaries live in treaty ports, and that they must advertise. Especially is this true in Southern

China, where there is far too much comfort. In open ports it is necessary for missionaries to approximate to the standard of life of other Europeans, and therefore it should be the one object of all missions to have all their members in inland places, making treaty ports merely points of departure, and the headquarters for such work as printing and publishing. Once in the interior there should be a regular standard of living and dwelling adopted, always remembering that the missionary comes to the East not only to teach the gospel of the East, but the new gospel of the West, which is cleanliness, mathematical accuracy, some knowledge of the truth, and good sanitation—in a word, all those things which have been evolved in Europe, largely owing to the influence of climate, and which have hitherto never been possible in any Eastern country. That the gradual withdrawal of extra-territorial rights—foreshadowed by the British Mackay Treaty of 1902—will first affect the missionaries in inland places is quite certain—that is, missionaries will probably be the first to be placed under the jurisdiction and protection of the Chinese Government, and they would do well to accustom themselves to this new idea. When that day comes, unless they have powerful vested interests in every prefecture of the eighteen provinces, and have succeeded by their scholastic and medical work in gaining the sympathy of great masses of the population, they will find themselves in a parlous position. They have now possibly twenty-five to thirty years

of grace in which to set their houses in order, and to prepare for the sharp competition which the reinvigorated portion of the Far East will most certainly offer them. That China will ever be Christian, in the ordinary sense of the word, is a vain dream ; but that Protestant missions, if they awaken to a proper sense of their responsibilities, can exert an enormous influence, and saturate the whole country with Anglo-Saxon ideals, is quite certain. Protestant missionaries are, therefore—just as the Chinese think, although in a slightly different sense—a valuable political asset, but that asset must be careful to know its exact value, and to understand its peculiar limitations.

CHAPTER XXXV

CONCLUSIONS AND SUGGESTIONS

THE exhaustive nature of the criticisms which fill the preceding pages leave but little to add. Many things will perhaps seem a little clearer, and the exact situation to-day in China—whose fate will be largely decided by the actual results growing out of the war—should be well understood. All through the arguments used certain things should stand out clearly ; first that China, although still corruptly administered, is beginning to be moved by strange and unaccustomed feelings, and that the whole mass of population is becoming affected by some signs of Westernism through a thousand different things ; and that the Chinese Government, understanding this full well, is much disturbed. Secondly, that a certain number of Chinese officials whose intelligence has enabled them to grasp more clearly than the majority of their colleagues the immediate necessity for action, have begun arming and drilling large numbers of men in order to be in some measure prepared for the great day which must come. Of these officials Viceroy Yuan Shih-kai with 80,000

efficient troops is the foremost ; but although the Tientsien Viceroy is for the time being the most active, the day is not far off when this example will be more and more closely followed by every one of the great territorial officials. Thirdly—and here the strange inconsistency of the East is very apparent—in spite of all these things the Chinese Government, the Manchu Court, the territorial officials, and the masses of population, *although all are much affected, are as yet quite unable to shake off any of the outward and visible forms of the Chinese system.* This last point may seem in strange contradiction to the first two, but, nevertheless, the first two statements are no exaggerations. Description of voyages over well-known routes will have allowed the reader to understand how this is possible. The distances, the lack of communications, the formidable obstacles to intimate intercourse between province and province, which have been placed by Nature and climatic conditions and not yet overcome by man ; the manner in which eighty per cent. of the population of China is tied to the soil and overburdens that soil ; the extraordinary weakness to which Government by equipoise has reduced the executive : all these things, and many others, a perusal of the preceding pages should have made patent. And in addition, superimposed on all this unsatisfactory state of affairs, is the aftermath of the Boxer outbreak, which is rudely expressed in Peking by the armed Legations, the Marconi mast ready to call for help, the string of little European garrison

posts to the sea, the crushing Boxer indemnity, the activity of Continental intrigues, and many other petty things which aim at binding hand and foot the Chinese giant and preventing him (vain hope) from ever striking again.

This complex state of affairs in China itself is further complicated by many other things in the rest of the Far East. The grim and tremendous drama being enacted in Manchuria is attracting the attention of the entire world and frightening all with the possibilities of the future. Whilst the European Concert in the persons of important little Ministers, looking timorously over their embattled walls, is apparently still functioning in Peking, it has long ago ceased to be a serious quantity. The Chinese Government, saturated in diplomacy since its earliest days, well understands this, and is now playing off one Power against another with greater and greater success. There are therefore a number of "situations" overlapping and complicating each other, and each temporarily claiming its share of attention from an indulgent public for a day, only to be forgotten on the very next. What is to be the outcome of all this? Which of all these forces is to defeat its rivals? Supposing Japan is utterly victorious in the present war, will that be sufficient?

All these questions are only to be answered with the greatest difficulty; but although such answering must entail some work, one thing may be immediately said, and that is that the Chinese Government must be unbound and strengthened as quickly and

rapidly as possible, because this great war has proved that great masses of men, however ill-handled, if resolute enough, can bring about the most notable results. Thus Russia, although she has done everything wrong in Manchuria from a military point of view, is after fifteen months' war only 190 miles from Newchwang. If China becomes able to put in the field a million men, she can equally well place three millions there; and if she does that, she can defy everyone. Sufficient has already been written to show that she is going to work in a very different way from any she has attempted before, and that it is imperative for some one soon to show that so long as she does not intend to employ force wilfully and wrongly she will be helped. Who should perform the task? England, and no other Power; for England has in past years, as has been shown, done all the pioneer work, not only in China, but in Japan, and still occupies in a manner which admits of no contradiction the premier place in the Far East. And although her diplomacy in China for ten long years has been deplorable (there is no other word for it), her vested interests, her commerce, and her press mightily overshadow everything else still, and are well understood by all to occupy such a position. Much has been said by recent writers, and much is indeed said in these pages, of the advance of other Powers, of their ceaseless intriguing all over the Far East, whilst the mask of friendship is kept on; of their undermining of the British position; and so on *ad infinitum*, until perhaps English statesmen have

ended by believing that the time for abdicating a proud position has really come. But there is never a time for abdicating any more than there is ever a time for surrender—excepting in death; and it is with a view of proving the force of these assertions that a few statistics (undeniable facts, not merely refutable opinions) are now quickly quoted to show the British position in China.

In 1864 the registered tonnage of British shipping entering and clearing in China ports aggregated some three million tons. In 1874 this tonnage had risen only to five million tons; in 1884 it was some twelve million tons; in 1894 it rose to over twenty million tons; and in the year 1904 it had reached the large figure of a fraction below thirty-three million tons. That is to say, during the ten critical years of the past decade when politically England was allowing herself to be supplanted in China, her shipping business rose some sixty per cent. in tonnage. This is a result which establishes the fact that there is still some health in us—even in the Far East. But more figures must be given.

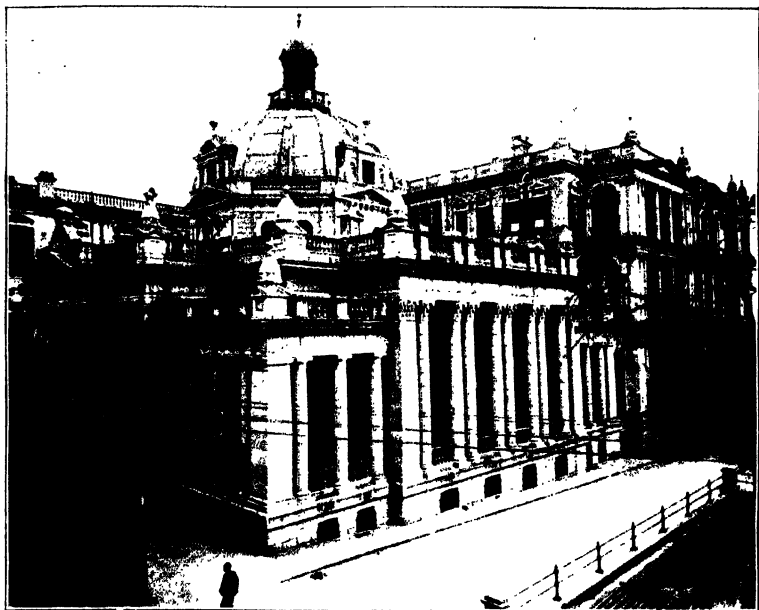
Entrances and clearances in China ports in 1904 amounted to a little more than sixty-one and a half million tons; the British share was, therefore, no less than 51.64 per cent. of the whole. But this does not cover all. Of the grand total given above, slightly more than thirteen million tons of entrances and clearances are credited to Chinese owned steamers. This is a shipping which may well be called Anglo-Chinese, since the greatest Chinese shipping con-

cern, the China Merchants Steamship Company, is "linked" with the British shipping companies and is practically commanded and officered by Englishmen. If we add this thirteen million tons to the British total as an Anglo-Chinese asset, it is at once seen that England owns or controls three-quarters of the shipping in Chinese waters. Germany, our greatest rival, in 1894, had but two million tons to her credit, and in 1904 rather more than seven and a half million tons. In ten years her entrances and clearances increased therefore five and a half million tons; in the same period British shipping had increased nearly thirteen million tons. It is true the German increase was proportionally very rapid, but as I have been at some pains to point out, that rapid increase was due to special reasons, and in the next ten years there will be no such expansion in Chinese waters. Therefore England cannot be called anything but safe even by the pessimistic.

In trade the story is but little different, and rough totals will suffice. In 1904 the statistics of the foreign trade in China disclosed that British imports amounted to 215,000,000 Customs taels out of a grand total of 357,000,000 Customs taels, and that exports to the British Empire amounted to 131,000,000 Customs taels out of a grand total of 252,000,000 Customs taels. This means that England's share of the foreign trade of China amounted to 56.80 per cent. of the whole. In coast trade the proportion is hardly less remarkable;

50·45 per cent. of the total is credited to the British Empire. It is useless comparing this with the German percentage, as that percentage is so small that it need not be considered. At the China treaty ports, as on Chinese waters, England is safe, and can hold her own. Finally, to give people some idea of the enormous water-traffic in the Far East, it may be stated in passing that Hongkong is to-day only a few hundred thousand tons behind London in the total of tonnage entering and leaving that port yearly, and that if the rapid increase continues Hongkong, which is now the second, will be the first shipping port in the world. Very few people have realised this.

Out of the 18,000 Europeans in China ports (entirely excluding, of course, Hongkong) more than 6,000 are British subjects. In banking and financing it is calculated that the British share is even more remarkable, some crediting British transactions at eighty per cent. of the whole. The name of a single British institution may be mentioned in this connection—the Hongkong and Shanghai Banking Corporation, which has immense strength. It has been estimated that nearly half the foreign business of China passes through its hands. It is also little known that there are now not very far short of one hundred Far Eastern joint-stock companies and corporations which include banks, insurance offices, warehouse companies, land companies, gas companies, water companies, hotel companies, cotton mills, etc., registered at Hongkong, and representing purely



THE HEADQUARTERS OF THE HONGKONG AND SHANGHAI BANKING CORPORATION
AT HONGKONG.



THE SHANGHAI BUND.

[Face page 416, Vol. II.

local enterprise, and operating in many parts of China. Taking the current quotations as a basis, such concerns now represent a value of Mexican dollars 200,000,000, or nearly £20,000,000 of money. Seeing that this result has been obtained in forty years—say from the going into force of the Tientsien Treaties of 1860—there is some reason for satisfaction. . . .

When it is added that the European press in China is almost entirely English, that English is the *lingua franca* everywhere, that probably many hundreds of thousands of Chinese (if not millions) have a smattering of this world-language, it will be understood that the idea of any abdication in the Far East on account of the results of the Russo-Japanese war and the consequent crumbling of the Continental Block is not only foolish but fantastic.

And yet it would seem that the British Government is intent on such a policy, and refuses to recognise that if the Russian Far Eastern problem is in a fair way to being solved, there remain many other ones which await immediate treatment, and may soon become as urgent as the Russian one did in the year 1903. China has been harshly treated in the past; that she has been extremely foolish very recently she herself does not deny, but even that should not allow the British Government to wash its hands and leave the judgment hall. Every one of the difficulties which have lately arisen can be traced directly—not indirectly, but directly—to the weakness of British policy, and for every one of

the difficulties which have been witnessed in the past decade there will be another difficulty during the next decade, as certain as East is East. The Chinese question must therefore be immediately attacked, and a somnolent Foreign Office aroused to a sense of the duty which it owes to the great British interests in the Far East, for we do not want more wars for many years to come. That the Foreign Office has but little idea of what should be done is proved by the fact that Lord Percy has lately risen in the House of Commons and stated that he is not aware of the fact that the recent British Treaty (the Mackay Treaty of September, 1902, which on paper is a most excellent instrument) has been almost entirely ignored by China. Many may be inclined to say in defence that it is the Chinese Government which should be called upon to act and not the British Government; but such a statement completely passes by the fact that the Chinese Government is powerless, as has been clearly shown, to act in quasi-foreign matters, unless it is actively supported by some friendly Government and pushed night and day.

The matters which demand immediate attention are both financial and commercial. China has no uniform national coinage and in Article 2 of the Mackay Treaty she undertook to establish such a coinage. Nothing, absolutely nothing, has been done, excepting to open an immense number of copper coin factories—you cannot call them mints—and to flood the country with hundreds of millions

of copper cash ten-cent pieces. Professor Jenks, an eminent American, indeed visited Peking on the invitation of the Chinese Government and told amazed officials of the existence of a thing called a gold standard. But nothing else has been done for three long years and everybody is now peacefully sleeping again in silver and copper dreams.

This financial question must be immediately taken in hand. It is the conviction of those who are entitled to know that the loan of six or seven millions sterling to China would be sufficient to allow the first steps to be taken in establishing a proper currency, which would bring about a remarkable change. If England and America acted jointly in the matter, as they have been acting jointly in the matter of Japanese loans, and agreed to appoint experts to enter the Chinese service for ten or fifteen years and to lend the necessary funds, this matter could undoubtedly be speedily arranged. It would be an immense step in advance, and it is a step which may be taken by somebody else unless no time is lost. The next matter which demands attention is the abolition of likin (Article 8 of the Mackay Treaty). Unfortunately the putting into force of this article is delayed by the provision that it must be accepted by all the other Powers before it becomes law. That such an acceptance can be hurried in many ways is certain, and it is absolutely necessary that it should be so hurried, for the removal of likin will also lead to the greatest results.

immediately engage the attention of the British Government. This would pave the way to a discussion concerning the evacuation of Peking and the removing of the North China garrisons. If the British Government can convince the Peking Government that it is at heart honest and really desirous of helping and protecting China, then I say there is no more fear of trouble occurring again in China than there is in any European country. But as China still feels that many Powers desire to swallow her, then, until she is strong enough to resist any one, as Japan can now resist any one, the disconcerting symptoms at present to be noticed will not disappear. All the other problems in the Far East may be counted on to solve themselves if Japan beats Russia to her knees ; but the Chinese question is a very special one which England has made it her business to attend to for nearly a century, and which England must continue to make it her business to attend to if she wishes to be seriously considered.

Sir Robert Hart's Services, on which must fall the burden of much of the new work, must be extended and improved ; and from the ashes of the present organisations must arise at least four properly-recruited and properly-trained Government Departments, which should form an integral part of the Chinese Civil Service. These four Departments should be (a) Customs and Internal Revenue ; (b) Posts and Telegraphs ; (c) Railways and Mines ; and (d) Currency and Mints. In

these reformed Services the young Chinese official should be trained to take over responsible work, and not to be a mere clerk of doubtful integrity. And in pursuance of this idea a proper standard of education, in which Chinese classics and Western lore would be mixed in the proper quantities, should be provided in Training Colleges where young expectant officials might pass several years. The present system of sending young Chinese of good education to Japan, to Europe, or to America, there to acquire an ill-digested smattering of Western knowledge, is a bad one and nothing but a *pis aller*. Even Chinese undergoing such a course are a mere handful ; and, again, the vast majority of these, when they come back to their own country, find themselves shut out from entering the Chinese Government Service excepting as interpreters or translators. In other words, they are merely interlopers. That certain men who have been thus educated abroad do finally rise is doubtless true, but such men are the exceptions and not the rule. Nor is this all. A proper Ministry of Mines and Railways would soon be able to divert a certain percentage of its annual surplus towards improving internal communications. China's splendid canals could be cleaned out and improved ; grand trunk roads could be cut from one end of the country to the other ; and draught-animals take the place men now occupy in so many of the provinces. It has been amply seen already on the few petty roads made out into the country

from the great treaty-ports what an important effect such things have on trade and industry ; and in Korea the Seoul highways have been alone responsible for an immense improvement in the well-being of the common people. Now is the time for action, since action can be easily secured by the investment of capital. And the British Government should also move in the matter of improving its own Service—the China Consular Service. This Service is excellent in theory and has served as the model for every other Consular Service in China ; but it, too, is behind the times. It is beyond a doubt that twenty-five or thirty years in a debilitating climate tends to induce a sleepy feeling, and this sleepy feeling should be banished from a Service which has much to do by boldly transferring senior Consuls and Consuls-General of the China Service to European posts before retiring them definitely from the public service—thus allowing more junior men the chance of distinguishing themselves in a country where ceaseless energy is a *sine quâ non*. A more thorough training of student interpreters is also now necessary. After their two years' work at Chinese—which, it may be remarked in passing, Englishmen acquire with greater ease than any other Europeans—student interpreters of the China Consular Service should have at least nine months' training under a Director of Statistics, who would teach them something about international private law, patents, trade marks, the historical aspect of the missionary.

question, and many other small things. After such an additional training, youthful Vice-Consuls would be more willing to recognise that the Treasury pays them for British Empire work, and that merchants and their dealings are matters which lie immediately within their special province.

In the matter of special commercial work, the British Government would also do well to take special action. What is wanted is a Director of Statistics in place of the present single commercial attaché in China; and in his labours the Director of Statistics should be assisted by three commercial attachés posted strategically at Canton, Hankow, and Tientsien. These commercial attachés should take frequent voyages into the interior, and be called upon to write voluminous reports dealing with every point which may concern the future of Anglo-Chinese trade. Steps should be taken to ensure that the final reports of the Director of Statistics could be obtained in every part of the British Empire which trades with the Far East. For this important statistical post there is but one man, Mr. Alexander Hosie, a Consul-General of the China Service, whose recent remarkable Blue-book on the province of Szechuan contains such a wealth of statistics that all criticism is choked by a mere sight of the work.

But if the Government must move, so must also private individuals. In banking, shipping, and commercial enterprises no time should be lost in taking such action as is deemed advisable to meet

the strenuous competition which must soon come. A British Far Eastern Bank should undoubtedly open a branch at once at Johannesburg to link up the Transvaal and its Chinese labour with this Celestial Empire, and thus perhaps directly lead to the interesting of South African capitalists in mining in the Far East. There should be a British Bank at Chemulpo to foster the British trade with Korea, now conducted by Chinese middlemen ; there should be another branch at Newchwang, a port which in five years' time will undoubtedly have great importance. Nor should Chefoo be neglected, where British interests should be developed at all costs since the port is in the coveted province of Shantung. Yet another banking agency should be opened at Chinkiang or Nanking as soon as the British-built railway to China's old capital is completed and a new commerce begins.

In shipping there must be the same energy displayed. Korea must be properly supplied with British shipping facilities ; and the new Japan-Korean and Japan-Manchurian trade cut into as soon as possible. It is absurd to say that competition with Japanese shipping will be impossible ; it will be possible and tend to become more and more possible each year, since there are but six Englishmen on board every British ship engaged in the Far Eastern trade—the crew being Chinese—and since the scale of living and the scale of wages in Japan will soon have increased 100 per cent. as a result of the war. The English mail-steamers voyaging to the

Far East must also try to redeem their reputation as passenger-carriers. It is true that passengers have not paid in the past, and that the German mails, which have lately monopolised this traffic have been practically running at a loss. But in very few years passengers will pay, and to those that have shall be given. And the Pacific should be exploited far more in the future than it has been in the past by British ship-owners. From the Pacific sea-board an increasing commerce with the East will soon be directed, and although the "American lake" has had its character much changed by the events of the past few months, there is no reason why the Red Ensign should not be seen much more in these waters than it is at present. English commercial travellers should also come out to the Far East and understand exactly what is wanted. Certain manufacturing houses, whose names need not be divulged, have made much money in Japan since the war by having competent men on the spot able and willing to attend to business. But more people must come out; there must be more movement, more interest, and more capacity to execute rapidly heavy contracts. It is stated authoritatively that much money has been lost in England by manufacturers being physically unable to execute the heavy orders which have been placed owing to the exceptional Eastern demand. This should not occur again. In the Far East itself, commercial houses should at last recognise the fact that it is necessary to have men who have some knowledge

of Far Eastern languages, and that a premium should be offered to those who, for instance, are willing to acquire a working knowledge of Chinese. It is absolutely essential that Europeans should very soon be able to deal direct with Chinese without the help of Chinese middlemen. That the compradore system can be easily upset, it would be of course absurd to state ; but there is no reason why efforts should not be made to enter into more intimate intercourse with Chinese traders and bankers. A hundred words of Chinese give one an insight into a few things ; and fifteen hundred are all that are required to place men in an exceptional position. This is a point to which attention should be directed.

In twenty years' time, Chinese trade will be twice as great as it is now ; in fifty years it will be portentous. Everyone who can do so would do well to come out to the Far East and see the magnificent opportunities for the investment of money which will offer once the British Government has taken action ; to see what British enterprise has already succeeded in accomplishing. A time of sharp competition is coming, and it would be well if capitalists, ship-owners, merchants, and speculators tried to understand the new conditions, and to accommodate themselves to the new requirements. The old Far East is rapidly passing away, and the new Far East is being built up. Believing as I do that Englishmen and Chinese, at heart the two most conservative peoples in the world, have much in common—each highly respecting the other's commercial in-

tegrity—the next five or ten years will show whether we are to retain the lion's share of what will soon be an immense commerce or whether we are to be effaced by others. The true opening of China must be effected at all costs as one of the 'greatest results of the war. A little courage, a little perseverance, and a little sound common sense are all that are needed for the time being; the rest will come by itself.

But above all it is necessary to see with one's own eyes, and to act quickly before the East sinks to sleep again. Therefore, after the war, a great concourse should stream Eastwards to examine the countries that have been such a wonder and to understand that there should be no longer any pessimism. If this is done it will bring profit and honour to all, for China is now as potter's clay and kind hands can mould her to any shape.

APPENDICES

A. TREATY OF SHIMONOSEKI, BY WHICH SOUTHERN MANCHURIA WAS CEDED TO JAPAN

(Signed April 17, 1895 ; ratified at Chefoo, May 8, 1895.)

Article I. China recognises definitely the full and complete independence and autonomy of Korea, and in consequence the payment of tribute and the performance of ceremonies and formalities by Korea to China in derogation of such independence and autonomy shall wholly cease for the future.

Article II. China cedes to Japan in perpetuity and full sovereignty the following territories, together with all fortifications, arsenals, and public property thereon :

(a). The southern portion of the province of Feng-t'ien within the following boundaries :

The line of demarcation begins at the mouth of the river Yalu and ascends that stream to the mouth of the river Anpiang ; from thence the line runs to Feng Huang ; from thence to Haicheng ; from thence to Ying-Kow, forming a line which describes the southern portion of the territory. The places above named are included in the ceded territory. When the line reaches the river Liao at Ying-Kow it follows the course of that stream to its mouth, where it terminates. The mid-channel of the river Liao shall be taken as the line of demarcation.

This cession also includes all islands appertaining or belonging to the province of Feng-t'ien, situated in the eastern portion of the bay of Liaotung and in the northern part of the Yellow Sea.

(b). The island of Formosa, together with all islands appertaining to the said island of Formosa.

(c). The Pescadores Group—that is to say, all islands lying between the one hundred and nineteenth and twelfth degrees of longitude east of Greenwich and the twenty-third and two hundred and fortieth degrees of north latitude.

Article III. The alignments of the frontiers described in the preceding article, and shown on the map, shall be subject to verification and demarcation on the spot by a Joint Commission of delimitation, consisting of two or more Japanese, and two or more Chinese delegates, to be appointed immediately after the exchange of the ratifications of this act. In case the boundaries laid down in this act are found to be defective at any point, either on account of topography or in consideration of good administration, it shall also be the duty of the Delimitation Commission to rectify the same.

The Delimitation Commission will enter upon its duties as soon as possible, and will bring its labours to a conclusion within the period of one year after appointment.

The alignments laid down in this act shall, however, be maintained until the rectifications of the Delimitation Commission, if any are made, shall have received the approval of the Governments of Japan and China.

Article IV. China agrees to pay to Japan as a war indemnity the sum of two hundred million Kuping taels. The said sum to be paid in eight instalments. The first instalment of fifty million taels to be paid within six months, and the second instalment of fifty million taels to be paid within twelve months after the exchange of the ratifications of this act. The remaining sum to be paid in six equal annual instalments as follows: The first of such equal instalments to be paid within two years; the second within three years; the third within four years; the

fourth within five years, the fifth within six years; and the sixth within seven years, after the exchange of the ratifications of this act. Interest at the rate of five per centum per annum shall begin to run on all unpaid portions of the said indemnity from the date the first instalment falls due.

China, however, shall have the right to pay by anticipation at any time any or all of said instalments. In case the whole amount of said indemnity is paid within three years after the exchange of ratifications of the present act, all interest shall be waived and the interest for two years and a half or for any less period, if then already paid, shall be included as a part of the principal amount of the indemnity.

Article V. The inhabitants of the territories ceded to Japan, who wish to take up their residence outside the ceded districts, shall be at liberty to sell their real property and retire. For this purpose a period of two years from the date of the exchange of the ratifications of the present act shall be granted. At the expiration of that period, those of the inhabitants who shall not have left such territories shall, at the option of Japan, be deemed to be Japanese subjects.

Each of the two Governments shall, immediately upon the exchange of the ratifications of the present act, send one or more commissioners to Formosa to effect a final transfer of that province, and within the space of two months after the exchange of the ratifications of this act transfer shall be completed.

Article VI. All treaties between Japan and China having come to an end in consequence of war, China engages immediately upon the exchange of the ratifications of this act, to appoint plenipotentiaries to conclude, with the Japanese plenipotentiaries, a treaty of commerce and navigation and a convention to regulate frontier intercourse and trade. The treaties, conventions, and regulations now subsisting between China and European Powers shall serve as a basis for the said treaty and convention between Japan and China. From the date of the exchange of the ratifica-

tions of this act until the said treaty and convention are brought into actual operation, the Japanese Government, its officials, commerce, navigations, frontier intercourse and trade, industries, ships, and subjects, shall, in every respect, be accorded by China most-favoured-nation treatment.

China makes, in addition, the following concessions, to take effect six months after the date of the present act :

First. The following cities, towns, and ports, in addition to those already opened, shall be opened to the trade, residence, industries, and manufactures of Japanese subjects, under the same conditions and with the same privileges and facilities as exist at the present open cities, towns, and ports of China :

1. Shashih, in the province of Hupeh.
- 2. Chung-King, in the province of Szechuan.
3. Suchow, in the province of Kiang-Su.
4. Hangchow, in the province of Chekiang.

The Japanese Government shall have the right to station consuls at any or all of the above-named places.

Second. Steam navigation for vessels under the Japanese flag for the conveyance of passengers and cargo shall be extended to the following places :

1. On the upper Yang-tse River, from Ichang to Chung-King.
2. On the Woosung River and the Canal, from Shanghai to Suchow and Hangchow.

The rules and regulations which now govern the navigation of the inland waters of China by foreign vessels shall, so far as applicable, be enforced in respect to the above-named routes, until new rules and regulations are conjointly agreed to.

Third. Japanese subjects purchasing goods or produce in the interior of China, or transporting imported merchandise into the interior of China, shall have the right temporarily to rent or hire warehouses for the storage of articles so purchased or transported without the payment of any taxes or exactions whatever.

Fourth. Japanese subjects shall be free to engage in all

kinds of manufacturing industries in all the open cities, towns, and ports of China, and shall be at liberty to import into China all kinds of machinery, paying only the stipulated import duties thereon.

All articles manufactured by Japanese subjects in China shall, in respect of inland transit and internal taxes, duties, charges, and exactions of all kinds, and also in respect of warehousing and storage facilities in the interior of China, stand upon the same footing and enjoy the same privileges and exemptions as merchandise imported by Japanese subjects into China.

In the event additional rules and regulations are necessary in connection with these concessions, they shall be embodied in the Treaty of Commerce and Navigation provided for by this article.

Article VII. Subject to the provisions of the next succeeding article, the evacuation of China by the armies of Japan shall be completely effected within three months after the exchange of the ratifications of the present act.

Article VIII. As a guarantee of the faithful performance of the stipulations of this act, China consents to the temporary occupation by the military forces of Japan, of Wei-Hai-Wei, in the province of Shang-Tung.

Upon the payment of the first two instalments of the war indemnity herein stipulated for and the exchange of the ratifications of the Treaty of Commerce and Navigation, said place shall be evacuated by the Japanese forces, provided the Chinese Government consents to pledge, under suitable and sufficient arrangements, the Customs Revenue of China as security for the payment of the final instalment of said indemnity.

It is, however, expressly understood that no such evacuation shall take place until after the exchange of the ratifications of the Treaty of Commerce and Navigation.

Article IX. Immediately upon the exchange of the ratifications of this act, all prisoners of war then held shall be restored, and China undertakes not to ill-treat or punish prisoners of war so restored to her by Japan. China also

engages to at once release all Japanese subjects accused of being military spies or charged with any other military offences. China further engages not to punish in any manner, nor to allow to be punished, those Chinese subjects who have in any manner been compromised in their relations with the Japanese army during the war.

Article X. All offensive military operations shall cease upon the exchange of the ratifications of this act.

Article XI. The present act shall be ratified by their Majesties the Emperor of Japan and the Emperor of China, and the ratifications shall be exchanged at Chefoo, on the eighth day of the fifth month of the twenty-eighth year of Meiji, corresponding to the fourteenth day of the fourth month of the twenty-first year of Kuang Hsu.

*In witness whereof, the respective plenipotentiaries have signed the same and have affixed thereto the seal of their arms.

Done at Shimonoseki, in duplicate, this seventeenth day of the fourth month of the twenty-eighth year of Meiji, corresponding to the twenty-third day of the third month of the twenty-first year of Kuang Hsu.

COUNT ITO HIROBUMI.

VISCOUNT MUTSU MUNEMITSU.

LI HUNG CHANG.

LI CHING-FONG.

SEPARATE ARTICLES

Article I. The Japanese Military Forces which are, under Article VIII. of the Treaty of Peace signed this day, to temporarily occupy Wei-Hai-Wei, shall not exceed one brigade, and from the date of the exchange of the ratifications of the said Treaty of Peace, China shall pay annually one-fourth of the amount of the expenses of such temporary occupation—that is to say, at the rate of 500,000 Kuping taels per annum.

Article II. The territory temporarily occupied at Wei-

Hai-Wei shall comprise the island of Liu Kunk and a belt of land five Japanese ri wide along the entire coast-line of the bay of Wei-Hai-Wei.

No Chinese troops shall be permitted to approach or occupy any places within a zone five Japanese ri wide beyond the boundaries of the occupied territory.

Article III. The Civil Administration of the occupied territory shall remain in the hands of the Chinese authorities. But such authorities shall at all times be obliged to conform to the orders which the Japanese army of occupation may deem it necessary to give in the interest of the health, maintenance, safety, distribution, or discipline of the troops.

All military offences committed within the occupied territory shall be subject to the jurisdiction of the Japanese military authorities.

The foregoing Separate Articles shall have the same force, value, and effect as if they had been word for word inserted in the Treaty of Peace signed this day.

In witness whereof, the respective plenipotentiaries have signed the same and have affixed thereto the seal of their arms.

Done at Shimonoseki, in duplicate, this seventeenth day of the fourth month of the twenty-eighth year of Meiji, corresponding to the twenty-first year of Kuang Hsu.

COUNT ITO HIROBUMI.

VISCOUNT MUTSU MUNEMITSU.

LI HUNG CHANG.

B. MIKADO'S RESCRIPT WITHDRAWING FROM MANCHURIA. (*May 10, 1895.*)

We recently complied with the request of China, and in consequence appointed plenipotentiaries and caused them to confer with the plenipotentiaries appointed by China and to conclude a Treaty of Peace between the two Empires.

Since then the Governments of their Majesties the

Emperors of Russia and Germany and of the Republic of France have united in a recommendation to our Government not to permanently possess the peninsula of Feng-t'ien, our newly-acquired territory, on the ground that such permanent possession would be detrimental to the lasting peace of the Orient.

Devoted as we unalterably are and ever have been to the principles of peace, we were constrained to take up arms against China for no other reason than our desire to secure for the Orient an enduring peace.

Now the friendly recommendation of the three Powers was equally prompted by the same desire. Consulting, therefore, the best interests of peace and animated by a desire not to bring upon our people added hardship or to impede the progress of national destiny by creating new complications and thereby making the situation difficult and retarding the restoration of peace, we do not hesitate to accept such recommendation.

By concluding the Treaty of Peace, China has already shown her sincerity of regret for the violation of her engagements, and thereby the justice of our cause has been proclaimed to the world.

Under the circumstances we can find nothing to impair the honour and dignity of our empire if we now yield to the dictates of magnanimity and, taking into consideration the general situation, accept the advice of the friendly Powers.

Accordingly we have commanded our Government, and have caused them to reply to the three Powers in the above sense.

Regarding the arrangements by which we will renounce the permanent possession of the Peninsula, we have specially commanded our Government that the necessary measures shall be made the subject of future negotiations and adjustment with the Government of China.

Now, the exchange of ratifications of the Treaty of Peace has already been effected, the friendly relations between the two Empires have been re-established, and cordial relations with all other Powers are also strengthened.

We therefore command our subjects to respect our will ; to take into careful consideration the general situation ; to be circumspect in all things ; to avoid erroneous tendencies ; and not to impair or thwart the high aspirations of our Empire.

[IMPERIAL SIGN MANUAL.]

[COUNTERSIGNED BY ALL MINISTERS OF STATE.]

C. THE (REPUTED) CASSINI CONVENTION

TEXT PUBLISHED BY THE "NORTH CHINA DAILY NEWS"
AS THAT OF AN AGREEMENT CONCLUDED AT PEKIN
BY COUNT CASSINI, THE RUSSIAN MINISTER, IN 1895

His Imperial Majesty, the Emperor of China, having received the various benefits arising from the loyal support of his Imperial Majesty, the Emperor of Russia, at the close of the late war between China and Japan, and being desirous that the communications between the frontier territories of their respective empires and the international commerce of the two countries should be managed to their mutual advantage, has commanded the mutual settlement of certain matters in order the better to consolidate the basis of friendship between the two empires. In this connection, therefore, his Imperial Majesty, the Emperor of China, has specially appointed the Imperial High Commissioners, the Princes and great officers of the Crown, composing the Imperial Chinese Ministry of War, with plenipotentiary powers, to confer and agree upon certain matters, at Peking, with his Excellency, Count Cassini, Envoy Extraordinary and Minister Plenipotentiary of H.I.M., the Emperor of Russia, to the Court of China, concerning the connecting of the railway system of the three Eastern Provinces (Feng-t'ien, Kirin, and Hei-Lung-

Kiang) with that of the Imperial Russian Railway in the province of Siberia, with the object of facilitating the transport of goods between the two empires, and of strengthening the frontier defences and sea-coasts. And, furthermore, to agree upon certain special privileges to be conceded by China to Russia as a response to the loyal aid given by Russia in the retrocession of Liaotung and its dependencies:

1. Owing to the fact that the Russian Great Siberian Railway is on the point of completion, China consents to allow Russia to prolong her railway into Chinese territories (a) from the Russian port of Vladivostock into the Chinese city of Hunchun, in the province of Kirin, from thence northwestward to the provincial capital of Kirin, and (b) from a railway-station of some city in Siberia to the Chinese town of Aigun in Hei-Lung-Kiang province, from thence southwestward to the provincial capital of Tsitsihar, and from thence to the town of Petunê in Kirin province, and from thence southeastward to the provincial capital of Kirin.

2. All railways built by Russia into the Chinese provinces of Hei-Lung-Kiang and Kirin shall be built at the sole expense of Russia, and the regulations and buildings thereof shall be solely on the Russian system, with which China has nothing to do, and the entire control shall be in the hands of Russia for the space of thirty years. At the end of the said period China shall be allowed to prepare the necessary funds wherewith, after proper estimation of the value of the said railways, she shall redeem them, the rolling-stock, machine-shops, and buildings connected therewith. But as to how China will at that date redeem these railways shall be left for future consideration.

3. China is now in the possession of a railway, which she intends to extend from Shānhaikwan into the provincial capital of Feng-t'ien—namely, Mukden (Shengking), and from Mukden to the provincial capital of Kirin.* If China should hereafter find it inconvenient to build this road, she shall allow Russia to provide the funds to build

the railway from the city of Kirin on behalf of China, the redemption of which road shall be permissible to China at the end of ten years. With reference to the route to be taken by this railway, Russia shall follow the surveys already made by China in connection therewith, from Kirin to Mukden, New-Chwang, etc.

4. The railway to be built by China, beginning from Shanhaiwan, in Feng-t'ien, to New-Chwang, to Kaiping, to Chinchou, to Lushunk'ou (Port Arthur), and to Talienhwan and their dependencies, shall follow the Russian railway regulations in order to facilitate the commercial intercourse between the respective empires.

5. With reference to the railways to be built by Russia into Chinese territory, the routes along which the said roads shall pass must be protected, as usual, by the local, civil, and military officials of the country. They shall, moreover, afford all facilities and aid to the civil and military officials of Russia at the various railway-stations, together with all the Russian artisans and labourers connected therewith. But, owing to the fact that the said railways will pass, for the greater part, through barren and sparsely inhabited territory, in which it will be difficult for the Chinese authorities to be always able to grant the necessary protection and aid, Russia shall be allowed to place special battalions of horse and foot soldiers at the various important stations for the better protection of the railway property.

6. With reference to the customs duties to be collected on goods exported from and imported into the respective countries by the said railways, they shall follow the regulations provided by the Treaty of Commerce between China and Russia, ratified in the first year of the reign of Tung Chin, fourth day, second moon (20th of February, 1862, O. S.), regulating overland transit of goods between the two empires.

7. There has always been in existence a rule prohibiting the exploitation of the mines in Hei-Lung-Kiang and Kirin provinces, and in the Ch'angpai mountains (Long White mountain range). After the ratification of this

Treaty, Russians and subjects of the Chinese Empire shall be permitted hereafter to exploit and open any of the mines therein mentioned ; but before doing so they shall be required first to petition the Chinese local authorities on the subject, who, on the other hand, shall grant the necessary commissions (huchas) in accordance with the mining regulations in force in China Proper.

8. Although there exist certain battalions of foreign-drilled troops (Lienchun) in the three Eastern provinces, yet the greater portion of the local territorial Army Corps thereof still follow the ancient regulations of the empire. Should, therefore, China in the future require to reform, in accordance with the Western system, the whole army organisation of the said provinces, she shall be permitted to engage from Russia qualified military officers for that purpose, and the rules for the guidance of this arrangement shall be in accordance with those obtaining in the Liang-Kiang provinces in regard to the German military officers now engaged there.

9. Russia has never possessed a seaport in Asia which is free from ice and open all the year round. If, therefore, there should suddenly arise military operations in this Continent, it will naturally be difficult for the Russian Eastern Seas and Pacific Fleets to move about freely and at pleasure. As China is well aware of this, she is willing to lease temporarily to Russia the port of Kiaochou, in the province of Shan-Tung, the period of such lease being limited to fifteen years. At the end of this period China shall buy all the barracks, godowns, machine-shops, and docks built there by Russia (during her occupation of the said port). But, should there be no danger of military operations, Russia shall not enter immediately into possession of the said port, or hold the important points dominating the port, in order to obviate the chance of exciting the jealousy and suspicions of other Powers. With reference to the amount of rent and the way it is to be paid, this shall form the subject of consideration in a Protocol at some future date.

10. As the Liaotung ports of Lushunk'ou (Port Arthur) and Talienhwan and their dependencies are important strategical points, it shall be incumbent upon China to properly fortify them with all haste, and to repair all their fortifications, etc., in order to provide against future dangers; Russia shall, therefore, lend all necessary assistance in helping to protect these two ports, and shall not permit any foreign power to encroach upon them. China, on her part, also binds herself never to cede them to another country, but if, in future, the exigencies of the case require it, and Russia should find herself suddenly involved in a war, China consents to allow Russia temporarily to concentrate her land and naval forces within the said ports, in order the better to enable Russia to attack the enemy or to guard her own position.

11. If, however, there be no danger of military operations in which Russia is engaged, China shall have entire control over the administration of the said ports of Lushunk'ou and Talienhwan; nor shall Russia interfere in any way therein. But, as regards the building of the railway in the three Eastern Provinces, and the exploitation and opening of the mines therein, they shall be permitted to be proceeded with immediately after the ratification of this Convention, and at the pleasure of the people concerned therein. With reference to the Civil and Military officers of Russia and Russian merchants and traders travelling (in any part of the territories herein mentioned), wherever they shall go, they shall be given all the privilege of protection and facilities within the power of the local authorities; nor shall these officials be allowed to put obstructions in the way or delay the journeys of the Russian officers and subjects herein mentioned.

12. After this Convention shall have received the respective signatures of their Imperial Majesties (the Emperors of China and of Russia) the articles included therein shall go into immediate force, and, with the exception of the clauses regarding Port Arthur, Talienhwan, and Kiaochou, shall be notified to the various local authorities of the two empires.

As to the place for the exchange of ratifications, it shall be left to be decided at some future time, but the exchange shall take place within the space of six months.

It has, furthermore, been agreed upon between the respective Plenipotentiaries of the High Contracting Powers to make this Convention out in three languages—namely, Chinese, Russian, and French, one copy of each language to be held by the respective High Contracting Parties, after the signing and sealing thereof. And it has, furthermore, been shown, upon comparison, that the contents of the documents, as given in the three languages aforesaid, tally with each other in all respects ; but in case of dispute, in the future, the wording of the French copy shall be deemed the correct version.

D. THE RUSSO-MANCHURIAN RAILWAY AGREEMENT

STATUTES OF THE CHINESE EASTERN RAILWAY COMPANY

Section 1. On the strength of the Agreement concluded on the 27th August (8th September), 1896, by the Imperial Chinese Government with the Russo-Chinese Bank, a Company is formed, under the name of the "Eastern Chinese Railway Company," for the construction and working of a railway within the confines of China, from one of the points on the western borders of the Province of Hei-Lung-Kiang to one of the points on the eastern borders of the Province of Kirin, and for the connection of this railway with those branches which the Imperial Russian Government will construct to the Chinese frontier from Trans-Baikalia and the Southern Ussuri lines.

The Company is empowered, subject to the sanction of the Chinese Government, to exploit, in connection with the railway, or independently of it, coal-mines, as also to

exploit in China other enterprises—mining, industrial, and commercial. For the working of these enterprises, which may be independent of the railway, the Company shall keep accounts separate from those of the railway.

The formation of the Company shall be undertaken by the Russo-Chinese Bank.

With the formation of the Company all rights and obligations are transferred to it in regard to the construction and working of the line ceded in virtue of the above-named Agreement of the 27th August (8th September), 1896.

The Company shall be recognised as formed on the presentation to the Minister of Finances of a Warrant of the State Bank, certifying the payment of the first instalment on the shares. In any case, such payment must be made not later than two months from the day of confirmation of the present Statutes.

The succeeding instalments on the shares shall be paid in such order of gradation that the shares shall be fully paid up at their nominal value not later than one year from the day of formation of the Company.

Owners of shares of the Company may only be Russian and Chinese subjects.

Section 2. In virtue of the Agreement with the Chinese Government, the Company shall retain possession of the Chinese Eastern Railway during the course of eighty years from the day of the opening of traffic along the whole line.

Section 3. In recognition that the enterprise of the Chinese Eastern Railway will be realised only owing to the guarantee given by the Russian Government in regard to the revenue of the line for covering working expenses, as well as for effecting the obligatory payments on the bonds (sections 11, 16), the Company on its part binds itself to the Russian Government, during the whole term of the Concession, under the following obligations :

(A) The Chinese Eastern Railway, with all its appurtenances and rolling-stock, must be always maintained in full

order for satisfying all the requirements of the service of the line in regard to the safety, comfort, and uninterrupted conveyance of passengers and goods.

(B) The traffic on the Chinese Eastern line must be maintained conformably with the degree of traffic on the Russian railway lines adjoining the Chinese line.

(C) The trains of all descriptions running between the Russian Trans-Baikal and Ussuri lines shall be received by the Chinese Eastern Railway and despatched to their destination, in full complement, without delay.

(D) All through trains, both passenger and goods, shall be despatched by the Eastern Chinese Railway at rates of speed not lower than those which shall be adopted on the Siberian Railway.

(E) The Chinese Eastern Railway is bound to establish and maintain a telegraph along the whole extent of the line, and to connect it with the telegraph wire of the Russian adjoining railways, and to receive and despatch, without delay, through telegrams sent from one frontier station of the line to another, as also telegrams sent from Russia to China, and conversely.

(F) Should, with the development of traffic on the Chinese Eastern Railway, its technical organisation prove insufficient for satisfying the requirements of a regular and uninterrupted passenger and goods traffic, the Chinese Eastern Railway shall immediately, on receipt of a notification on the part of the Russian railways to augment its capacity to a corresponding degree, adopt the necessary measures for further developing its technical organisation and the traffic on it. In the event of a difference of opinion arising between the above-mentioned railways, the Chinese Eastern Railway shall submit to the decision of the Russian Minister of Finances. If the means at the command of the Chinese Eastern Railway prove insufficient for carrying out the necessary work of its development, the Board of Management of the railway may at all times apply to the Russian Minister of Finances for pecuniary assistance on the part of the Russian Government.

(G) For all transit conveyance of passengers and goods, as also for the transmission of telegrams, there will be established by agreement of the Company with the Russian Government, for the whole term of duration of the Concession,

¶ Maximum Tariffs, which cannot be raised without the consent of the Russian Government during the whole term above referred to. Within these limits the Tariffs of direct communication, both for railway carriages and telegrams, will be fixed by the Board of Management of the Company on the strength of a mutual agreement with the Russian Minister of Finances.

(H) The Russian letter and parcels post, as also the officials accompanying the same, shall be carried by the Chinese Eastern Railway free of charge.

For this purpose the Company shall set apart in each ordinary passenger train a carriage compartment of three fathoms in length. The Russian postal authorities may, moreover, if they deem it necessary, place on the line postal carriages, constructed by them at their own cost; and the repair, maintenance (interior fittings excepted), as well as the running of such carriages with the trains, shall be free of charge and at the cost of the railway.

The above-mentioned engagements—by which, as already stated, the grant of a guarantee by the Russian Government is conditioned, and the consequent realisation of the enterprise of the Chinese Eastern Railway—shall be binding on the railway until the same, after the expiration of the eighty years' term of the Concession shall, without payment, become the property of the Chinese Government (section 29). The redemption of the line from the Company before the above-mentioned term, in accordance with section 30 of the present statutes, shall not in any way diminish the effect of the above specified engagements, and these latter, together with the railway, shall be transferred to its new proprietor.

In the same manner, during the course of the whole eighty years' term of the Concession (¶ 2), the following

privileges granted to the railway by the Imperial Chinese Government shall remain in force :

(a) Passengers' luggage, as also goods, carried in transit from one Russian station (? to another) shall not be liable to any Chinese customs duties, and shall be exempt from all internal Chinese dues and taxes.

(b) The rates for the carriage of passengers and goods, for telegrams, etc., shall be free from all Chinese taxes and dues.

(c) Goods imported from Russia into China by rail, and exported from China to Russia in the same manner, shall pay respectively an import or export Chinese duty to the extent of one-third less as compared with the duty imposed at Chinese seaport custom-houses.

(d) If goods imported by the railway are destined for conveyance inland, they shall in such cases be subject to payment of transit duty to the extent of one-half of the import duty levied on them, and they shall then be exempted from any additional imposts. Goods which shall not have paid transit duty shall be liable to payment of all established internal carrier and lits-zin (? likin) dues.

Section 4. In regard to the place of acquisition of materials for the requirements of the railway, the Company shall not be liable to any limitations. If materials be obtained beyond the confines of Russia, they shall, on importation through Russian territory, be freed from payment of Russian customs duties.

Section 5. The breadth of the railway track must be the same as that of the Russian lines (five feet).

The Company must commence the work not later than the 16th August, 1897, and conduct it in such a manner that the whole line shall be completed not later than six years from the time when the direction of the line shall be finally determined and the necessary land assigned to the Company.

When tracing the line of the railway, cemeteries and graves, as also towns and villages, must, so far as possible, be left aside of the railway.

When effecting the connection in accordance with section 1 of these Statutes, of the Chinese Eastern Railway with the Russian Trans-Baikal and South Ussuri lines, the Company shall have the right, with a view to reduction of expenditure, of abstaining from building its own frontier stations and of utilising the frontier stations of the above-named Russian lines. The conditions on which they shall be so utilised shall be determined by agreement of the Board of the Company with the Boards of the respective railways.

Section 6. The tariffs for the carriage of passengers and goods, as also for supplementary carriage rates, shall be determined by the Company itself, within the limits indicated in section 3.

Section 7. Crimes, litigation, etc., on the territory of the Chinese Eastern Railway shall be dealt with by local authorities, Chinese and Russian, on the basis of existing Treaties.

In regard to the carriage of passengers and goods, the responsibility of such conveyance, the lapse of time for claims, the order of recovering money from the railway when adjudged, and the relations of the railway to the public shall be defined in rules drawn up by the Company and established before the opening of the railway traffic; and these rules shall be framed in accordance with those existing on Russian railways.

Section 8. The Chinese Government has undertaken to adopt measures for securing the safety of the railway and of all employed on it against any extraneous attacks.

The preservation of order and decorum on the lands assigned to the railway and its appurtenances shall be confided to police agents appointed by the Company.

The Company shall, for this purpose, draw up and establish police regulations.

Section 9. The whole amount of the capital of the Company shall be determined according to the cost of construction calculated on the basis of estimates framed when the survey of the line was carried out. The founda-

tion capital shall be charged with (a) the payment of interest and amortisation of the foundation capital during the construction of the railway; (b) the purchase from the Russian Government of the results of the surveys of the direction of the railway to Manchuria which were made by Russian engineers; the sum payable for these surveys will be determined by agreement of the Russian Minister of Finances with the Company.

The capital of the Company shall be formed by the issue of shares and bonds.

Section 10. The share capital of the Company shall be fixed at 5,000,000 nominal credit rubles, and divided into 1000 shares at 5000 nominal credit rubles.

The shares are to be issued at their nominal value.

The guarantee of the Russian Government does not extend to them.

Section 11. The remaining portion of the capital of the Company will be formed by the issue of bonds. The bonds will be issued in measure of requirement, and each time with the special sanction of the Minister of Finances. The nominal amount and value of each separate issue of bonds, the time and condition of the issue, as also the form of these bonds, shall be subject to the sanction of the Minister of Finances.

The Russian Government will guarantee the interest on and amortisation of the bonds.

For the realisation of these bonds the Company must have recourse to the Russo-Chinese Bank, but the Russian Government reserves to itself the right of appropriating the bond loan at a price which shall be determined between the Company and the Bank, and to pay to the Company the agreed amount in ready money.

Section 12. As payments are received for bonds guaranteed by the Russian Government, the Company shall be bound to keep such sums, or interest-bearing securities purchased with the same by permission of the Russian Minister of Finances, under the special supervision of the Russian Ministry of Finances.

Out of the above receipts the Company shall have the right to make the following payments :

(a) According to actual fulfilment of the work in progress and execution of orders, and at the time when various expenditures shall become necessary, such payments to be made on the scale and on the conditions specified in the working estimates.

(b) During the construction of the line, of interest, as it becomes due, on the bonds issued by the Company, subject to the conditions of their issue, and the Company shall pay the sums necessary for the above purpose within the limits of the amount realised by it in the emission of its bonds.

Section 13. On the payment of the first allotment on the shares, the founders shall receive temporary certificates, on which, subsequently, when the Board of Management of the Company shall have been formed, the receipt of the further instalments on the shares will be inscribed.

When the shares shall be fully paid up, the temporary certificates issued to the founders shall be replaced by shares.

The shares of the Company are issued to bearer, under the signature of not fewer than three members of the Board of Management. To the shares will be attached a coupon-sheet for the receipt once yearly under them of any dividend that may be payable. On the coupon-sheets becoming exhausted, new sheets will be issued. A dividend on the shares out of the net profits of any year, supposing such accrue, shall be payable on the adoption by the general meeting of shareholders of the annual report for that year, and the dividend shall be payable at the offices of the Company, or at such places which it may indicate.

The Company shall notify, for general information in the Official Gazette and in the *Finance Messenger*, as also in one of the Chinese newspapers, the extent and place of payment of the dividend.

Section 14. The reserve capital is destined

(a) For the capital repair of the railway, its buildings and appurtenances.

(b) For defraying extraordinary expenditure of the Company in repairing the railway and its appurtenances.

The reserve capital of the Company is formed out of annual sums put aside from the net profits of the working of the railway (section 17).

The reserve capital must be kept in Russian State interest-bearing securities, or in railway bonds guaranteed by the Russian Government.

At the expiration of the term of possession of the railway by the Company, the reserve capital shall be, first of all, employed in the payment of the debts of the Company, including among them sums due to the Russian Government, if such exist; and after the debts of the Company shall have been paid, the remainder of the reserve capital shall be divided among the shareholders. In the event of the redemption of the railway by the Chinese Government, the reserve capital becomes the property of the shareholders.

Section 15. The net revenue of the Company shall be the remainder of the gross receipts after deduction of working expenses. Under these expenses are classed:

(a) General outlays, including assignments towards pension and relief funds, if such be established on the line.

(b) Maintenance of the staff of the Board of Management, and of all the services, as also the maintenance of employés and labourers not on the permanent list.

(c) Outlays for materials and articles used for the railway as also expenditure in the shape of remuneration for using buildings, rolling-stock, and other various requisites for the purposes of the railway.

(d) Outlays for the maintenance, repair, and renewal of the permanent way, works of construction, buildings, rolling-stock, and other appurtenances of the railway.

(e) Expenditure connected with the adoption of the measures and instructions of the Board of Management for insuring the safety and regularity of the railway service.

(f) Expenditure for the improvement and development

of the railway, as also the creating and developing its resources.

Section 16. Should the gross receipts of the railway prove insufficient for defraying the working expenses and for meeting the yearly payments due on the bonds, the Company will receive the deficient sum from the Russian Government, through the Russian Minister of Finances. The payments referred to will be made to the Company as advances, at a rate of interest of six per cent. per annum. Sums paid in excess to the Company in consequence of its demands and on account of the guarantee will be deducted from succeeding money payments.

On the presentation to the general meeting of shareholders of the annual report of the working of the railway for a given year, the Company shall at the same time submit to the general meeting, for confirmation, a detailed statement of the sums owing by the Company to the Russian Government, with the interest that has accrued thereon. On the confirmation of this statement by the general meeting, the Board of Management shall deliver to the Russian Government an acknowledgment of the Company's debt, to the full determined amount of the same, and this acknowledgment, until its substitution by another, shall bear annually interest at the rate of six per cent.

The acknowledgment above mentioned, given by the Board of Management to the Russian Government, shall not be subject to bill or deed stamp tax.

Subjects of minor importance are dealt with in the following sections:

Section 17. Distribution of net profits of the railway.

Section 18. Functions of Board of Management, the seal of which will be at Peking and St. Petersburg.

Section 19. Constitution of the Board, which is to consist of nine members elected by the shareholders. The Chairman is to be appointed by the Chinese Government. The Vice-Chairman is to be chosen by the members of the Board from among themselves.

Sections 20-28. Administrative details.

Section 29. In accordance with the Agreement concluded with the Chinese Government, the latter, after the expiration of eighty years of possession of the railway by the Company, enters into possession of it and its appurtenances.

The reserve and other funds belonging to the Company shall be employed in paying the money due to the Russian Government under the guarantee (section 16), and in satisfaction of other debts of the Company, and the remainder shall be distributed among the shareholders.

Any money that may remain owing by the Company to the Russian Government at the expiration of eighty years in respect of the guarantee shall be written off. The Russo-Chinese Bank will incur no responsibility in respect of the same.

Section 30. In accordance with the Agreement concluded with the Chinese Government, on the expiration of thirty-six years from the time of completion of the whole line and its opening for traffic, the Chinese Government has the right of acquiring the line, on refunding to the Company in full all the outlays made on it, and on payment for everything done for the requirements of the railway, such payments to be made with accrued interest.

It follows, as a matter of course, that the portion of the share capital which has been amortised by drawing, and the part of the debt owing to the Russian Government under the guarantee, and repaid out of the net profits (section 17) will not constitute part of the purchase money.

In no case can the Chinese Government enter into possession of the railway before it has lodged in the Russian State Bank the necessary purchase money.

The purchase money lodged by the Chinese Government shall be employed in paying the debt of the Company under its bonds, and all sums, with interest, owing to the Russian Government, the remainder of the money being then at the disposal of the shareholders.

E.—THE KIAOCHOW CONVENTION.

I.—His Majesty the Emperor of China, being desirous of preserving the existing good relations with His Majesty the Emperor of Germany, and of promoting an increase of German power and influence in the Far East, sanctions the acquirement under lease by Germany of the land extending for 100 li , at high tide (at Kiaochow).

His Majesty the Emperor of China is willing that German troops should take possession of the above-mentioned territory at any time the Emperor of Germany chooses. China retains her sovereignty over this territory, and should she at any time wish to enact laws or carry out plans within the leased area, she shall be at liberty to enter into negotiations with Germany with reference thereto; provided always that such laws or plans shall not be prejudicial to German interests. Germany may engage in works for the public benefit, such as water-works, within the territory covered by the lease, without reference to China. Should China wish to march troops or establish garrisons therein she can only do so after negotiating with and obtaining the express permission of Germany.

II.—His Majesty the Emperor of Germany, being desirous like the rulers of certain other countries, of establishing a naval and coaling station and constructing dockyards on the coast of China, the Emperor of China agrees to lease to him for the purpose all the land on the southern and northern sides of Kiaochow Bay for a term of ninety-nine years. Germany is to be at liberty to erect forts on this land for the defence of her possessions therein.

III.—During the continuance of the lease China shall have no voice in the government or administration of the leased territory. It will be governed and administered during the whole term of ninety-nine years solely by Germany, so that the possibility of friction between the two

Powers may be reduced to the smallest magnitude. The lease covers the following districts :—

(a)—All the land in the north-east of Lienhan, adjacent to the north-eastern mouth of the Bay, within a straight line drawn from the north-eastern corner of Yintao to Laoshan-wan.

(b)—All the land in the south-west of Lienhan, adjacent to the southern mouth of the Bay, within a straight line drawn from a point on the shore of the Bay bearing south-west by south from Tsi-pe-shan-to.

(c)—Tsi-pe-shan-to and Yintao.

(d)—The whole area of the Bay of Kiaochow covered at high-water.

(e)—Certain islands at the entrance of the Bay which are ceded for the purpose of erecting forts for the defence of the German possessions. The boundaries of the leased territory shall hereafter be more exactly defined by a commission appointed jointly by the Chinese and German Governments, and consisting of Chinese and German subjects. Chinese ships of war and merchant-ships, and ships of war and merchant-ships of countries having treaties and in a state of amity with China shall receive equal treatment with German ships of war and merchant-ships in Kiaochow Bay during the continuance of the lease. Germany is at liberty to enact any regulations she desires for the government of the territory and harbour, provided such regulations apply impartially to the ships of all nations, Germany and China included.

IV.—Germany shall be at liberty to erect whatever light-house, beacons, and other aids to navigation she chooses within the territory leased, and along the islands and coasts approaching the entrance to the harbour. Vessels of China and vessels of other countries entering the harbour shall be liable to special duties for the repair and maintenance of all light-houses, beacons and other aids to navigation which Germany may erect and establish. Chinese vessels shall be exempt from other special duties.

V.—Should Germany desire to give up her interest in

the leased territory* before the expiration of ninety-nine years, China shall take over the whole area, and pay Germany for whatever German property may at the time of surrender be there situated. In cases of such surrender taking place Germany shall be at liberty to lease some other point along the coast. Germany shall not cede the territory leased to any other Power than China. Chinese subjects shall be allowed to live in the territory leased, under the protection of the German authorities, and there carry on their avocations and business as long as they conduct themselves as peaceable and law-abiding citizens. Germany shall pay a reasonable price to the native proprietors for whatever lands her Government or subjects require. Fugitive Chinese criminals taking refuge in the leased territory shall be arrested and surrendered to the Chinese authorities for trial and punishment, upon application to the German authorities, but the Chinese authorities shall not be at liberty to send agents into the leased territory to make arrests. The German authorities shall not interfere with the *likin* stations outside but adjacent to the territory.

THE RAILWAY AND MINING CONCESSION

I.—The Chinese Government sanctions the construction by Germany of two lines of railway in Shantung. The first will run from Kiaochow and Tsinan-fu to the boundary of Shantung province *via* Wei-hsien, Tsinchow, Pashan, Tsechuen and Suiping. The second line will connect Kiaochow with Chinchow, whence an extension will be constructed to Tsinan through Laiwu-hsien. The construction of this extension shall not be begun until the first part of the line, the main line, is completed, in order to give the Chinese an opportunity of connecting this line in the most advantageous manner with their own railway system. What places the line from Tsinan-fu to the provincial boundary shall take in *en route* is to be determined hereafter.

II.—In order to carry out the above-mentioned railway work a Chino-German Company shall be formed, with branches at whatever places may be necessary, and in this Company both German and Chinese subjects shall be at liberty to invest money if they so choose, and appoint directors for the management of the undertaking.

III.—All arrangements in connection with the works specified shall be determined by a future conference of German and Chinese representatives. The Chinese Government shall afford every facility and protection and extend every welcome to representatives of the German Railway Company operating in Chinese territory. Profits derived from the working of these railways shall be justly divided *pro rata* between the shareholders without regard to nationality. The object of constructing these lines is solely the development of commerce. In inaugurating a railway system in Shantung Germany entertains no treacherous intention towards China, and undertakes not to unlawfully seize any land in the province.

IV.—The Chinese Government shall allow German subjects to hold and develop mining property for a distance of 30 *li* from each side of these railways and along the whole extent of the lines. The following places where mining operations may be carried on are particularly specified along the northern railway from Kiaochow to Tsinan, Wei-hsien, Pa-shan-hsien and various other points; and along the Southern Kiaochow-Tsinan-Chinchow line, Chinchow-fu, Luiwu-hsien, etc. Chinese capital may be invested in these operations, and arrangements for carrying on the work shall hereafter be made by a joint conference of Chinese and German representatives. All German subjects engaged in such works in Chinese territory shall be properly protected and welcomed by the Chinese authorities, and all profits derived shall be fairly divided between Chinese and German shareholders according to the extent of the interest they hold in the undertakings. In trying to develop mining property in China, Germany is actuated by no treacherous motives against this country, but seeks alone to increase

commerce and improve the relations between the two countries.

• If at any time the Chinese should form schemes for the development of Shantung, for the execution of which it is necessary to obtain foreign capital, the Chinese Government, or whatever Chinese may be interested in such schemes, shall, in the first instance, apply to German capitalists. Application shall also be made to German manufacturers for the necessary machinery and materials before the manufacturers of any other Power are approached. Should German capitalists or manufacturers decline to take up the business the Chinese shall then be at liberty to obtain money and materials from sources of other nationality than German.

This convention requires the sanction of His Majesty the Emperor of China and His Majesty the Emperor of Germany. When the sanction of His Majesty the Emperor of China reaches Berlin the agreement approved by His Majesty the Emperor of Germany shall be handed to the Chinese Ambassador. When the final draft is agreed to by both parties four clean copies of it shall be made, two in Chinese and two in German, which shall be duly signed by the Chinese and German Minister at Berlin and Peking. Each Power shall retain one Chinese copy and one German copy, and the agreement shall be faithfully observed on either side.

Dated, the fourteenth day of the second moon of the twenty-fourth year of Kuang Hsu. (March 6th, 1898.)

F. PORT ARTHUR AND TALIENWAN AGREEMENT.

His Majesty the Emperor of China, on the sixth day of the third moon of the twenty-fourth year of Kuang Hsu (March 27, 1898), appointed the Grand Secretary, Li Hung Chang, and the Senior Vice-President of the Board of

Revenue, Chang Yin-huan, as Plenipotentiaries to arrange with M. Pavloff, Chargé d'Affaires and Plenipotentiary for Russia, all matters connected with the leasing and use by Russia of Port Arthur and Ta-lien-wan.

The treaty arranged between them in this condition is as follows :—

Art. I.—It being necessary for the due protection of her navy in the waters of North China that Russia should possess a station she can defend, the Emperor of China agrees to lease to Russia Port Arthur and Ta-lien-wan, together with the adjacent seas, but on the understanding that such lease shall not prejudice China's sovereignty over this territory.

Art. II.—The limits of the territory thus leased, for the reasons above stated, as well as the extent of territory north of Ta-lien-wan necessary for the defence of that now leased, and what shall be allowed to be leased shall be strictly defined and all details necessary to the carrying out of this treaty be arranged at St. Petersburg with Hsü Tajên so soon as possible after the signature of the present treaty, and embodied in a separate treaty. Once these limits have been determined, all land held by Chinese within such limits, as well as the adjacent waters, shall be held by Russia alone on lease.

Art. III.—The duration of the lease shall be 25 years from the day this treaty is signed, but may be extended by mutual agreement between Russia and China.

Art. IV.—The control of all military forces in the territory leased by Russia and of all naval forces in the adjacent seas, as well as of the civil officials in it, shall be vested in one high Russian official, who shall, however, be designated by some title other than Governor-General (Tsung-tu) or Governor (Hsün-fu). All Chinese military forces shall, without exception, be withdrawn from the territory, but it shall remain optional with the ordinary Chinese inhabitants either to remain or to go, and no coercion shall be used towards them in this matter. Should they remain, any Chinese charged with a criminal offence shall be handed

over to the nearest Chinese official to be dealt with according to Art. VIII. of the Russo-Chinese treaty of 1860.

Art. V.—To the north of the territory leased shall be a zone, the extent of which shall be arranged at St. Petersburg between Hsü Ta-jên and the Russian Foreign Office. Jurisdiction over this zone shall be vested in China, but China may not quarter troops in it except with the previous consent of Russia.

Art. VI.—The two nations agree that Port Arthur shall be a naval port for the sole use of Russian and Chinese men-of-war, and be considered as an unopened port so far as the naval and mercantile vessels of other nations are concerned. As regards Ta-lien-wan, one portion of the harbour shall be reserved exclusively for Russian and Chinese men-of-war, just like Port Arthur, but the remainder shall be a commercial port freely open to the merchant vessels of all countries.

Art. VII.—Port Arthur and Ta-lien-wan are the points in the territory leased most important for Russian military purposes. Russia shall, therefore, be at liberty to erect, at her own expense, forts and build barracks and provide defences at such places as she desires.

Art. VIII.—China agrees that the procedure sanctioned in 1896 regarding the construction of railroads by the board of the Eastern China Railway shall, from the date of the signature of this treaty, be extended so as to include the construction of a branch line to Ta-lien-wan, or, if necessary, in view of the interests involved, of a branch line to the most suitable point on the coast between Newchwang and the Yalu River. Further, the agreement entered into in September, 1896, between the Chinese Government and the Russo-Chinese Bank shall apply with equal strength to this branch line. The direction of this branch line and the places it shall touch shall be arranged between Hsü Ta-jên and the board of the Eastern Railroads. The construction of this line shall never, however, be made a ground for encroaching on the sovereignty or integrity of China.

Art. IX.—This treaty shall take full force and effect from the date it is signed, but the ratifications shall be exchanged in St. Petersburg.

Signed March 27, 1898.

G.—THE BELGIAN HANKOW-PEKING RAILWAY AGREEMENT.

CONTRAT DÉFINITIF FAISANT SUITE AUX CONTRAT
ANTÉRIEURS RELATIFS À L'EMPRUNT CONTRACTÉ EN
BELGIQUE.

1.—Le Tsungli Yamên doit notifier officiellement au Ministre de Belgique à Peking, le Décret Impérial reçu par L.L.E.E. les Vicerois du Petchili et du Hou-kwang le 14^e jour de la 9^e lune de la 22^e année de Kwang Hsu (20 Octobre, 1896), autorisant l'emprunt à contracter à l'étranger pour la construction de chemin de fer de Lou-kou-chiao (près Peking) à Hankow..

2.—Le Gouvernement Impérial Chinois donne la direction général de cette entreprise à Son Excellence Cheng-ta-yen.

3.—Le directeur général de chemins de fer Cheng-ta-yen et M. Hubert, représentant le Syndicat Belge entrepreneur de la construction de la dite ligne ferrée, après entente, ont fait ensemble le présent contrat définitif aux conditions suivantes :

ART. I.

Une copie du Décret Impérial du 20 Octobre, 1896, sera annexée au présent contrat. Ce décret autorise la Compagnie Générale des Chemins de fer à entreprendre la construction de la ligne de Lou-han, qui a une longueur de 1,300 kilomètres environ.

La Cie. Gle. ayant déjà un capital de 13 millions de taels, Sa Majesté l'Empereur autorise les vicerois du

Petchili et du Hou-kwang ainsi que le Dr. Ge. Tcheng-ta-yen à contracter un emprunt européen afin d'en compléter la construction.

Voici le résumé de ce Décret Impérial :

“ Sur la proposition des vicerois du Petchili et du Hou-kwang, une compagnie générale sera fondée pour construire la ligne ferrée entre Lou-kou-chiao et Hankow et un emprunt sera contracté en Europe par cette compagnie afin de compléter l'entreprise.”

“ Le fonctionnaire expectatif de 4^e classe Cheng-chuang-Houai est nommé à la tête de cette compagnie en qualité de superintendant du chemin de fer.”

En conséquence, les vicerois du Petchili et du Hou-kwang, avec Cheng-ta-yen, en se conformant au décret impérial, ont décidé de négocier l'emprunt à l'étranger à l'intérêt de 5%. Cet emprunt de 112,500,000 francs, correspondant à £4,500,000, stipulé dans le précédent contrat signé à Wuchang, prendra le nom de “ Emprunt du Chemin de fer chinois de 1898 à 5%.”

ART. 2.

Cet emprunt sera reparti en 225,000 parts ou titres à 500 francs chacun.

Le texte de ces titres sera annexé au présent contrat.

Ces titres seront revêtus des sceaux des vicerois du Petchili et du Hou-kwang ainsi que du superintendant du chemin de fer.

Chaque titre contient un à cinq numéros.

Le nombre des titres sera avisé en temps utile par le Syndicat Belge aux banques qui en feront l'émission.

Les frais d'impression de ces titres seront payés par le Syndicat Belge.

L'intérêt de 5% l'an sera payé en francs et en or, à partir du versement du capital, tous les semestres, le 1^{er} Mars et le 1^{er} Septembre de chaque année.

ART. 3.

Le remboursement de cet emprunt aura lieu en 20 annuités et par tirages, d'après un tableau ci-annexé à partir de l'année 1909.—Le tirage aura lieu tous les ans le second mardi du mois de Janvier, à partir du 2d mardi de Janvier 1909.

Les numéros sortis seront publiés dans quatre journaux quoditiens aux frais du Syndicat Belge.

ART. 4.

Les numéros sortis seront remboursés au pair, à la date du prochain paiement des intérêts. Les titres devront être remis avec les coupons d'intérêt restant à courir. Si l'on détache ces coupons, leur valeur sera déduite du pair au remboursement. On ne paiera plus des intérêts pour le capital déjà amorti.

ART. 5.

La Chine ne pourra pas rembourser en tout ou en partie, le capital emprunté avant 1907 ; mais après 1907 le remboursement pourra avoir lieu à si importe quel moment et une fois que le remboursement total sera effectué, le présent contrat deviendra nul de plein droit.

ART. 6.

Le Syndicat Belge désignera la place en Europe où se feront les paiements des intérêts ainsi que les remboursements des titres dont les numéros seront sortis aux tirages. Ces paiements seront effectués en francs.

Le Syndicat Belge désignera également les Banques qui seront chargées d'effectuer les paiements et l'émission des titres.

ART. 7.

Les paiements des intérêts et les remboursements des titres sont autorisés par le Gouvernement Impérial et se feront avant tous autres paiements.

Les rentes du dit chemin de fer, après déduction des frais

de service et d'exploitation, seront consacrées tout d'abord au service de l'emprunt, dont l'exemption est mentionnée au règlement d'exploitation annexé ci-joint.—Ce règlement élaboré de commun accord entre la Cie. Génle. chinoise et le Syndicat Belge, aura la même force que le présent contrat et ne pourra être changé ou modifié avant le remboursement total de l'emprunt.

ART. 8.

Après la mise en marche dudit chemin de fer, les recettes nettes, après les dépenses, seront remises par la Cie. Gle. au Syndicat Belge, afin de les déposer à la banque centrale de Bruxelles ou à cette désignée par cette dernière. La Banque doit immédiatement convertir ce dépôt en or, à l'avantage et au profit de la Cie. Gle. afin de suffire aux paiements de l'intérêt et du capital pour le semestre suivant ; de sorte que pour chaque paiement on soit prêt trois mois d'avance.

La banque qui recevra ce dépôt devra le faire produire de l'intérêt au profit de la Cie. Génle. La somme destinée aux paiements ne pourra être enlevée du dépôt que 20 jours avant la date du paiement.

ART. 9.

La banque qui recevra le dépôt des sommes provenant de l'emprunt, pourra prendre de ce dépôt, pendant la période de la construction de la ligne, les sommes nécessaires pour effectuer les paiements des intérêts semestriels, sans avoir besoin d'une autorisation spéciale à cet effet.

ART. 10.

La Cie. Gle., afin de montrer solvabilité et sa bonne foi, consent à donner à l'emprunt, à titre de première garantie, la ligne de chemin de fer de Lou-kow-chia à Hankow avec le matériel roulant et les recettes de l'exploitation.

Le Syndicat Belge s'engage à accepter, au nom de capitalistes, ladite garantie.

Dans le cas où la Cie. Génle. ne remplirait pas ses engagements relatif aux paiement des intérêts et au remboursement du capital, ou, si le Syndicat Belge se faisait remplacer par un autre syndicat, les capitalistes pourraient agir d'une manière effective sur la garantie ci-dessus afin de protéger leurs intérêts.

ART. 11.

La garantie mentionnée à l'art. 10 ne doit pas détruire l'effet des conditions contenues dans l'article 7.

Dans le cas où les recettes déposées à la banque par l'entremise du Syndicat Belge, trois mois avant les termes des paiements, seraient jugées insuffisantes, la Chine devrait trouver le moyen de les compléter, sur l'avis de la banque chargée du service de ces paiements, lequel avis sera donné 60 jours avant la date des paiements.

ART. 12.

La banque en question doit, à chaque semestre, se préoccuper du paiement à s'effectuer le semestre suivant. Elle doit prendre du dépôt les sommes nécessaires pour les remettre en temps utile aux banques chargées du service des paiements.

ART. 13.

Les banques chargées du service des paiements des intérêts et du capital à amortir par tirages réguliers ou par remboursements anticipés, recevront une commission de 0.25%, c'est à dire de £25 pour £10,000.—Cette commission sera payée par les frais généraux de l'exploitation.

Dans le cas d'insuffisance, la Chine la compléterait.

ART. 14.

La Chine consent à autoriser, conformément à l'art. 9 du présent contrat, tout ce que peut être utile à l'émission des titres. Donc tout ces titres et coupons d'intérêts, ainsi que tous les mouvements de fonds provenant de cet emprunt, seront exempts de toute taxe, afin de faciliter l'entreprise.

ART. 15.

Les intérêts des titres qui n'auront pas été touchés au bout de cinq ans seront au profit de la Chine, de même pour les titres dont les numéros sont sortis aux tirages et dont le remboursement n'aurait pas été demandé dans un délai de 30 ans.

Les titres dont les possesseurs sont décédés deviendront la propriété de ses héritiers, suivant la loi du pays du défunt.

Les paiements des intérêts et du capital doivent être effectués régulièrement, sans distinction des moments de la paix ou de la guerre et que le porteur des titres soit un ami ou un ennemi.

Dans le cas où les titres seraient volés perdus ou détruits, le porteur pourrait en faire la déclaration à la Cie. Génle., qui lui délivrerait des nouveaux titres s'il prouve que la déclaration était reconnue fondée ou justifiée.

ART. 16.

Le Tsungli-yamen doit télégraphier aux Ministres de Chine de notifier cet emprunt autorisé par le Gouvernement impérial aux Bourses de Bruxelles et de Paris afin que les titres en puissent être cotés aux dites bourses.

ART. 17.

Du présent emprunt de 112,500,000 francs, le Syndicat Belge achète immédiatement pour frs. 39,000,000, 78,000 titres à 500 frs. chaque. Cette vente-achat sera effectué avec un escompte de 10%, c'est à dire pour une somme de frs. 35,100,000 seulement.

L'intérêt de ces 39,000,000 frs. sera payé à partir des dépôts effectués suivant l'art. 18 suivant.

ART. 18.

Le Syndicat Belge déposera à la Banque Russo-Chinoise de Shanghai, une première somme de frs. 8,600,000 sur les frs. 39,000,000. Le restant sera transmis à une banque

désignée de commun accord par Cheng-ta-yen et le Syndicat Belge, après que la Banque Russo-Chinoise de Paris aura reçu les 78,000 titres qui en font l'objet. Les autres 147,000 titres seront également déposés à la même banque.*

La Banque Russo-Chinoise et les autres banques désignées ultérieurement d'un commun accord, mettront les sommes à la disposition de la Cie. Gle. La mode des paiements est stipulée à l'article 20 suivant. Les banques devront payer des intérêts pour les sommes déposées et cela au profit et à l'avantage de la Cie. Gle.

ART. 19.

* La Cie. Gle. a déjà un capital de 13 millions de taels.

Comme la ligne de Lou-han doit être premièrement exécutée, d'un côté par le tronçon de Lou-kou-chiao à Pao-ting-fou—145 kilomètres—de l'autre côté par le tronçon de Hankow à Sing-yang,—247 kilomètres—la Cie. Gle. devra procéder immédiatement à la construction de ces deux tronçons, et avec le capital de 13 millions de taels qu'elle a à sa disposition, elle fournira tout le matériel de la construction ainsi que le matériel roulant pour le premier de deux tronçons.

Sauf le tronçon de Lou-kou-chiao à Pao-ting-fou, la construction de toute la ligne Lou-Han sera donnée par la Cie. Gle. au représentant du Syndicat Belge, qui, pour compte de la Cie. Gle. en prendra la direction, veillera à la construction, fera faire des études relèvera plans et devis, procédera aux travaux, commandera les matériaux et les matériels pour l'exploitation.

Tous les plans, devis, études, projets, etc., doivent être soumis à l'approbation du superintendant de la Cie. Gle.

Sauf les achats faits en Europe, qui seront payés directement par les transferts, tous les frais des travaux ainsi que les traitements et les frais de voyage du personnel Européen engagé par le Syndicat Belge pour le compte de la Cie. Génle. seront payés par cette dernière, afin que le Syndicat Belge n'ait aucuns frais à supporter et qu'il puisse consacrer

tous ses efforts exclusivement à activer les travaux du chemin de fer qui doit être terminé sur toute la ligne, dans un délai de 3 ans.

ART. 20.

Pour les travaux des tronçons Hankow-Sing-yang et Pao-ting à Sing-yang, la Banque Russo-Chinoise et les autres banques à désigner plus tard, doivent payer tous les mois à la Cie. Gle. les sommes nécessaires à la construction et aux dépenses. Ces sommes seront évaluées d'avance par le Syndicat Belge ou par son représentant.

On prélèvera du premier versement déposé par le Syndicat Belge la somme nécessaire pour rembourser les dépenses déjà faites pour le tronçon Hankow-Sing-yang.

Le produit de la vente des titres étant exclusivement destiné à la construction de la ligne de chemin de fer Hankow à Pao-ting-fu, les banques pourraient suspendre les paiements si elles venaient à découvrir qu'une partie aurait reçu une autre destination ou que la Cie. Gle. n' autoriserait plus les ingénieurs belges à diriger cette construction.

Si cette construction n'utiliserait pas toute la somme de l'emprunt, le surplus en sera remis à la Cie. Gle.

ART. 21.

Le Syndicat Belge s'engage à acheter avant la fin de l'année 1901 le restant des titres pour la somme de frs. 73,500,000, dont la remise se fera à 90% avec l'intérêt à calculer.—Cet achat pourrait être fait en une ou plusieurs fois, mais chaque achat ne doit pas être inférieur à la somme réelle de frs. 25,000,000.—Ces opérations se feront également par la Banque Russo-Chinoise de Paris, à laquelle la Cie. Gle. donnera des ordres dans le délai d'un mois après l'avis que l'achat aura lieu.

Le produit de ces achats sera également déposé à une banque désignée de commun accord. Cette banque fera les paiements conformément aux stipulations de l'art. 20.

ART. 22.

Le Syndicat Belge étant chargé de faire réaliser ces titres d'emprunt, il doit s'entendre avec la Cie. Gle. avant chaque opération de ce genre sur la mode d'emploi de l'argent produit par ces titres, c'est à dire sur la choix du tronçon à construire avec cet argent.

ART. 23.

A partir de la signature du présent contrat, tous les frais d'études seront payés par la Cie. Gle. Les études devront être commencées par le tronçon Hankow-Singyang, et procéder ainsi suivant l'ordre qui sera fixé avant l'exécution de l'achat des titres stipulé à l'art. 21. Le produit de cet achat sera destiné à la construction de la ligne de Pao-ting-fu au Fleuve Jaune dont les études devront être terminées dans un délai d'un an afin de tout préparer pour commencer les travaux.

ART. 24.

Les titres dont le Syndicat Belge est chargé de la vente pourraient être souscrits au delà de 75,000 numéros. Dans ce cas, la Cie. Gle. suivant l'avis télégraphique de Syndicat Belge, pourrait vendre également un nombre de titres supérieur aux 78,000 numéros, aux mêmes conditions que les précédentes ; mais, malgré le présent article, le Syndicat Belge n'est pas tenu à acheter un nombre de titres supérieur aux 78,000 numéros.

ART. 25.

Sauf le matériel fourni par l'usine de Hanyang, tout le matériel nécessaire pour la construction et exploitation de la ligne Hankow-Pao-ting-fu sera fourni par le Syndicat Belge, qui s'engage à se rendre digne de la confiance, en respectant les clauses du présent contrat et en fournissant du matériel de bonne qualité et aux meilleurs prix.

Quant au tronçon de Lou-kou-chiao à Pao-ting-fu, les

travaux étant presque terminés, il ne sera adjugé aucune fourniture au Syndicat Belge.

Le matériel fourni par le Syndicat Belge sera exempt de toute taxe et likin en Chine, soit à l'entrée des ports, soit à l'intérieur de l'empire.

Si le Syndicat Belge recevait avis du Gouvernement Belge que la Chine ne pourra pas accorder ces entrées en franchise de droits, il faut que la Cie. Gle. fasse le nécessaire pour obtenir dans le délai d'un mois ; sinon le présent contrat sera annulé de plein droit.

Ce contrat sera également annulé dans les cas suivants :

La guerre.

La baisse de la rente française jusqu'au dessous du pair.

Si le Syndicat Belge n'exécute pas scrupuleusement les conditions du présent contrat, ce document deviendra nul et sans effet immédiatement ; et dans ce cas la Cie. Gle. prendra de suite sa liberté pour traiter la même question ailleurs et avec d'autres nationaux en congédiant immédiatement l'ingénieur en chef Belge.

ART. 26.

Les différends soulevés entre la Cie. Gle. et le Syndicat Belge ou entre les autorités chinoises et le représentant Belge, seront tranchés ou jugés avec équité et justice par le Tsungli-yamen et le ministre de Belgique à Peking. Dans le cas où ces deux autorités ne pourraient s'entendre, elles choisiront d'un commun accord un tiers arbitre qui décidera en dernier ressort.

ART. 27.

Le Syndicat Belge pourra reprendre la somme de £20,000, déposée à la Banque Russo-Chinoise à titre de cautionnement, dès qu'il aura rempli les conditions de l'article 18, c'est à dire, dès qu'il aura versé à la dite banque Russo-Chinoise de Shanghai, la première somme de Rs. 8,600,070, dans un délai d'un mois à partir de la signature du présent contrat.

ART. 28.

Si le Ministre de Belgique désire que le modèle des titres soit notifié officiellement par la Tsungli Yamèn au Gouvernement du pays où aura lieu l'émission de ces titres, le Tsungli Yamèn le notifiera au ministère du pays.

ART. 29.

Le présent contrat est fait en trois exemplaires :

- 1 pour le Tsungli Yamèn
- 1 pour la Compagnie Générale et
- 1 pour le Syndicat Belge.

Le texte Français fera foi en cas de contestation. Ce contrat sera soumis à l'approbation de Sa Majesté l'Empereur de Chine. Le Tsungli Yamèn devra le notifier au Ministre de Belgique et au besoin au Ministre du pays où si fera l'émission des titres.

Les clauses des contrats signés à Wuchang le 27 Mai, 1897, et à Shanghai le 21 Juillet, 1897, qui ne sont pas contraires au présent contrat, seront respectées,—notamment l'art. 14 du contrat de Wuchang, l'art. 2 du contrat de Shanghai, etc.

La Banque Centrale Belge du Bruxelles et la Banque Russo-Chinoise, dès qu'elles auront connaissance du présent contrat, devront prendre leurs dispositions pour l'exécution des clauses qui les intéressent. Elle ne doivent s'occuper que de ce qui les intéresse directement.

La Compagnie Générale ne reconnaît que le Syndicat Belge seul comme responsable, conformément à l'art. 14 du contrat de Wuchang.

Fait à Shanghai le 26 Juin,
1898, 8e jour de la 5e
lune de la 24e année
de Kwang Hau.

(Signée) CHENG-TA-JEN,
Surintendant des Chemins de Fer.

HUBERT,
Représentant du Syndicat Belge.

H.—ANGLO-RUSSIAN AGREEMENT RESPECT- ING SPHERES OF INFLUENCE IN CHINA

(Signed April 28, 1899)

SIR C. SCOTT TO COUNT MOURAVIEFF :

The undersigned British Ambassador, duly authorised to that effect, has the honour to make the following declaration to his Excellency Count Mouravieff, the Russian Minister of Foreign Affairs : Great Britain and Russia, animated by a sincere desire to avoid in China all cause of conflict on questions where their interests meet, and taking into consideration the economic and geographical gravitation of certain parts of the empire, have agreed as follows :

1. Great Britain engages not to seek for her own account, or on behalf of British subjects, or of others, any railway concession to the north of the Great Wall of China, and not to obstruct, directly or indirectly, applications for railway concessions in that region supported by the Russian Government.

2. Russia, on her part, engages not to seek for her own account, or in behalf of Russian subjects, or of others, any railway concession on the basin of the Yang-tse, and not to obstruct, directly or indirectly, applications for railway concessions in that region supported by the British Government.

The two contracting parties, having no wise in view to infringe in any way the sovereign rights of China on existing treaties, will not fail to communicate to the Chinese Government the present arrangement, which, by averting all cause of complications between them, is of a nature to consolidate peace in the Far East, and to serve primordial interests of China itself.

(Signed) CHARLES S. SCOTT.

ST. PETERSBURG, *April* 28, 1899.

(A copy of the above note was signed at the same time by the Russian Minister of Foreign Affairs, "duly authorised to that effect.")

I.—TREATY OF OFFENSIVE AND DEFENSIVE ALLIANCE BETWEEN GREAT BRITAIN AND JAPAN

(Signed at London, January 30, 1902)

The Governments of Great Britain and Japan, actuated solely by a desire to maintain the *status quo* and general peace in the extreme East, being moreover specially interested in maintaining the independence and territorial integrity of the Empire of China and the Empire of Korea, and in securing equal opportunities in those countries for the commerce and industry of all nations, hereby agree as follows :

Article I. The high contracting parties having mutually recognised the independence of China and of Korea, declare themselves to be entirely uninfluenced by any aggressive tendencies in either country. Having in view, however, their special interests, of which those of Great Britain relate principally to China, while Japan, in addition to the interests which she possesses in China, is interested in a peculiar degree politically, as well as commercially and industrially, in Korea, the high contracting parties recognise that it will be admissible for either of them to take such measures as may be indispensable in order to safeguard those interests if threatened either by the aggressive action of any other Power, or by disturbances arising in China or Korea, and necessitating the intervention of either of the high contracting parties for the protection of the lives and property of its subjects.

Article II. If either Great Britain or Japan, in the defence of their respective interests as above described, should become involved in war with another Power, the other high contracting party will maintain a strict neutrality, and use its efforts to prevent other Powers from joining in hostilities against its ally.

Article III. If in the above event any other Power or

Powers should join in hostilities against that ally, the other high contracting party will come to its assistance and will conduct the war in common, and make peace in mutual agreement with it.

Article IV. The high contracting parties agree that neither of them will, without consulting the other, enter into separate arrangements with another Power to the prejudice of the interests above described.

Article V. Whenever, in the opinion of either Great Britain or Japan, the above-mentioned interests are in jeopardy, the two Governments will communicate with each other fully and frankly.

Article VI. The present agreement shall come into effect immediately after the date of its signature, and remain in force for five years from that date.

In case neither of the high contracting parties should have notified twelve months before the expiration of the said five years the intention of terminating it, it shall remain binding until the expiration of one year from the day on which either of the high contracting parties shall have denounced it. But if, when the date fixed for its expiration arrives, either ally is actually engaged in war, the alliance shall, *ipso facto*, continue until peace is concluded.

In faith whereof the undersigned, duly authorised by their respective Governments, have signed this agreement, and have affixed thereto their seals.

Done in duplicate at London the 30th January, 1902.

[L. S.]

LANSDOWNE,

- His Britannic Majesty's Principal Secretary of State for Foreign Affairs.

[L. S.]

HAYASHI,

• Envoy Extraordinary and Minister Plenipotentiary of his Majesty the Emperor of Japan at the Court of St. James.

Translation.

J. PROTOCOL.

Mr. Hayashi, Envoy Extraordinary and Minister Plenipotentiary of his Majesty the Emperor of Japan, and Major-General Ye Tché Yong, Minister of State for Foreign Affairs *ad interim* of his Majesty the Emperor of Korea, being respectively duly empowered for the purpose have agreed upon the following articles:

Article I. For the purpose of maintaining a permanent and solid friendship between Japan and Korea and firmly establishing peace in the Far East, the Imperial Government of Korea shall place full confidence in the Imperial Government of Japan and adopt the advice of the latter in regard to improvement in administration.

Article II. The Imperial Government of Japan shall in a spirit of firm friendship ensure the safety and repose of the Imperial House of Korea.

Article III. The Imperial Government of Japan definitely guarantees the independence and territorial integrity of the Korean Empire.

Article IV. In case the welfare of the Imperial House of Korea or the territorial integrity of Korea should be endangered by the aggression of a third Power or by internal disturbances, the Imperial Government of Japan shall immediately take such necessary measures as circumstances require, and in such case the Imperial Government of Korea shall give full facilities to promote actions of the Imperial Japanese Government.

The Imperial Government of Japan may for the attainment of the above-mentioned object occupy, when the circumstances require it, such places as may be necessary from a strategic point of view.

Article V. The Governments of the two countries shall not in future without mutual consent conclude with a third

Power any arrangement contrary to principles of the present Protocol.

Article VI. Details in connection with the present Protocol shall be arranged as the circumstances may require between the Representative of Japan and the Minister of State for Foreign Affairs of Korea.

The 23rd day of February of the 37th year of Meiji (1904).

(Signed) HAYASHI GONSUKE,
Envoy Extraordinary and Minister Plenipotentiary of his Majesty the Emperor of Japan.

The 23rd day of February of the 8th year of Kwang-Mu.

(Signed) MAJOR-GENERAL YE TCHE YONG,
Minister of State for Foreign Affairs *ad interim*.

K. TRANSLATION OF THE AGREEMENT OF AUGUST 22ND, 1904, SIGNED AND SEALED BY MR. HAYASHI GONSUKE

Envoy Extraordinary and Minister Plenipotentiary of his Majesty the Emperor of Japan, and Mr. Yun Chi-Ho, Korean Minister of State for Foreign Affairs *ad interim*.

1. The Korean Government shall engage a Japanese subject recommended by the Japanese Government as financial adviser to the Korean Government, and all matters concerning finance shall be dealt with only after his advice is taken.

2. The Korean Government shall engage a foreigner recommended by the Japanese Government as diplomatic adviser to the Foreign Office, and all important matters concerning foreign relations shall be dealt with only after his advice is taken.

3. The Korean Government shall first consult the Japanese Government before concluding treaties and conventions with foreign Powers, and in dealing with other important diplomatic affairs such as the grant of concessions to, or the making of contracts with foreigners, the same procedure shall be followed.

L.—RECOMMENDATION OF SIR ROBERT HART TO THE CHINESE GOVERNMENT

Part One.

War has now broken out between Japan and Russia, in which each of the two Powers is fighting for the maintenance of its own desires, which are at variance with its opponent's policy ; and this has arisen for no other reason than because China is herself fundamentally weak. How and when the war between these two Powers is to end, whether after two or three years' time or five or six years', is a question which it is difficult to answer under the present circumstances. One thing, however, may be certain ; and that is, that when the war is ended, serious troubles will fall to the lot of China, if she remains as she is. If, however, we do not wish to be at the beck and call of others, but on the contrary, desire to make others listen to our wishes, there is no alternative before us but to take advantage of the opportunity now presented to us and to use our best energies to strengthen ourselves. The first step to take in order to make China powerful is that of organising and drilling our armies, and to effect this we must first set about to find the ways and means of raising funds.

Now the present revenues of China from Customs duties, salt, land, and poll taxes only amount to eighty odd million taels per annum. Out of this sum the greater half is consumed in repaying loans and meeting the war-indemnity [Boxer]. Hence it is incumbent on us to find

ways and means of raising extra funds to meet the exigencies of the case. Of late there have been not a few persons who have been discussing the question of raising funds, and there have not been wanting suggestions as to how to procure such funds. In my humble opinion, however, the most tangible and feasible of all measures, which is comparatively speaking at hand, is that of reorganising the land and poll taxes. I find upon examination that the dimensions of China, not counting Chinese Turkestan, Mongolia, or the three Manchurian provinces, are 4,000 li long and as many in breadth; in other words, China Proper contains an area of no less than 16,000,000 square li. To each square li there should be 540 mow of land. Taking it, say, at 500 mow to the square li, then there should be 8,000,000,000 mow in an area of 16,000,000 square li. If then, a land tax of 200 cash be assessed on one mow, with a fixed rate of exchange of 2,000 cash to the tael of silver, then from every ten mow of land there can be collected a tax of one tael of silver. Eight thousand million mow of land would therefore yield 800,000,000 taels in taxes. We cannot, however, expect to collect regularly each year the above sum of 800,000,000 taels, owing to the fact that there are fat and lean years, while some land may be rich and other poor. Furthermore, account must be taken of mountains and streams.

I recall a remark made at one time during his lifetime by the late Marquis Li Hung Chang in regard to the taxable portions of the Empire. His late Excellency declared that of the land in the eighteen provinces of China Proper there are no less than two-thirds which can be made to pay taxes. Taking then the taxable area as one-half, we can yet practically collect 400,000,000 taels. For every day that the Government owns this area of land, so long does the above noted amount lie ready to the hand for collection. Therefore, this manner of raising funds is, comparatively speaking, much more feasible and practical, and capable of more steady and lasting advantages, than any other suggestions for raising money yet brought forward. If the

Government will put into practice this manner of raising funds, it will have at hand a bountiful income for the accomplishment of all national measures of importance, and there need be no fear of shortness of funds, while the inhabitants of the Empire will not be made to suffer the least iota of oppression and trouble. Should my recommendation as presented above meet the favourable consent of the Imperial Government, I shall have the honour of presenting for acceptance another paper setting forth the manner as to how to accomplish the ends in view.

Part Two.

With regard to the large amount of 400,000,000 taels revenue which was estimated in the foregoing recommendation as collectable from the land and poll taxes (payable in rice or money) of the Empire, it is evident that the question is in need of energetic reorganisation.

The manner of collecting the above taxes hitherto in vogue has been of the greatest injury to the people, who have to pay disproportionately large sums, while only a small portion of these amounts actually goes to the Government. As time passes the people suffer more and more, while the frauds practised upon them by the tax-collectors increase in number each day. If, however, we intend to use our best energies to reorganise the system of raising funds from these land taxes, it stands to reason that the practice of collecting now in vogue must unhesitatingly be abolished. Taking into consideration the fact that this matter is one in which the inhabitants of China are to pay taxes to the Chinese Government, it is evident that Chinese officials are better acquainted with the actual state of things than an outsider would be, and can recommend remedies superior to those that may be suggested by one of the latter. It is, however, the opinion, after due consideration, of the Inspector-General of Customs, presenting this paper, that if the following suggestions are put into practice, there need be no doubts as to the ultimate accomplishment of the ends in view. I am, moreover, of the opinion that the

more the details are entered into as to the manner of doing things, so much the slower will be the inauguration of the reorganisation in view. Hence it would be far better to take up the most important points and start the matter right away, and then go along step by step, allowing things to unfold themselves as we proceed, instead of going into long and tedious details which will give much trouble and take up important time.

I will therefore present an outline of my scheme under the following numbers :—

(1) Should an Imperial decree be issued to the high authorities of the various provinces commanding them to begin the reorganisation of the land taxes together, the chances will be that each provincial official will inaugurate an independent scheme of his own and so cause considerable differences of opinion, thereby preventing that unanimity of action so much to be desired in bringing about solid results. It is therefore suggested that the scheme in view to be started in a certain district (*hsien*) belonging to a certain prefecture (*fu*) in a certain province (*shéng*). After the said *hsien* shall have accomplished the object of the scheme in question, it shall be taken up in the same way by its neighbouring *hsien* or district, and so on gradually to the next district, and thus in natural sequence gradually until the whole province is operating under the new system of tax collection.

(2) As soon as a certain district has been selected to start the new system, it is recommended that ten able and intelligent expectant officials of the province, in which is situated the *hsien* in question, be chosen and sent to join the district magistrate, or *chih-hsien* concerned, inaugurating and putting into effect the scheme. With the knowledge and experience thus obtained by these ten expectant officials, they may then be used to start the same in other districts.

(3) The *chih-hsien* of the selected district shall begin by dividing his *hsien* into four principal portions, namely, Northern, Southern, Eastern, and Western por-

tions. He will then issue proclamations clearly to inform the people in his jurisdiction that those who own land are each required to draw up a statement within one month's time, setting forth how many mow of land each possesses, where situated, and the exact boundaries. Attached to this statement must be a plan or plans made of the property or properties, all of which the said landowner will be required to present personally at the Yamen of the hsien concerned. Upon receipt of said statement and plan or plans, the chih-hsien shall at once enter the details therein contained in a new book to be provided by him for the purpose.

(4) In the proclamations to be issued by the said chih-hsien there shall be inserted a warning to the people in the following words:—"I, the district magistrate, will not at present depute anyone to survey and measure your lands, but will leave it to each landowner to make his own declaration as to how much land he owns. If, however, it be subsequently discovered that any one has failed to report the exact amount of his land, and after an official survey of the district it be found out that a person has reported to the magistrate less land than he actually possesses, the delinquent will be fined.

(5) After a landowner has registered his property in the district magistrate's Yamen, the said magistrate shall issue to him a document (Yut'ieh) or order, with a registered number, commanding the said landowner to appear personally at the said Yamen at the beginning of the 10th moon of each year, and there, according to the number of mow set down in the said document or order, pay land taxes thereon at the rate of two hundred copper cash per mow. Each order shall have a corresponding "butt" in a book prepared for the purpose by the magistrate for the purpose of subsequent identification and tally whenever necessary.

(6) The foregoing work, such as the issuing of proclamations, presentation of landowners' declaration, of property owned by them, entering same into the new records, and

the issuance of the order—"Yut'ieh"—must be accomplished by the end of three months. The ten expectant officials must every day personally attend at the Yamen and join the chih-hsien in working out the scheme, and being cognisant of everything passing beneath their eyes will be able to understand matters clearly. They will then be sent to the other hsien of the prefecture in question, and there show the other hsien how to start the scheme, following the methods inaugurated in the first-named hsien, three months being granted for the accomplishment of the said scheme. This having been done these expectant officials, being in the meantime joined each by ten other expectant officials, shall then proceed to the other prefectures of the province in question, and in this manner by the end of the second term of three months the whole prefecture of the said province will have started the new system of land taxes.

(7) After the end of the second term the said one hundred expectant officials who have been engaged in acquiring a knowledge of how to work the new system should be sent to assist the chih-hsien of the other prefectures of the provinces concerned in inaugurating the new system, so that by the end of the third term of three months the new system will have been put into practice in the whole province in question.

(8) At the end of the three months after the new system has been inaugurated in a district the chih-hsien of the same shall be required to make a detailed report to his prefect as to how many mow of land there are in the four principal divisions of his hsien, and how much money at two hundred copper cash per mow can be collected therefrom. The prefect will then send a report to the high authorities of his province, who will in turn report the same to the Board of Revenue at Peking, to place on record for future reference.

(9) Should a landowner sell any portion of his registered property to another, the vendor, in company with the purchaser, shall take with them to the Yamen the order

(Yut'ieh) originally issued by the chih-hsien, and report the transaction in question. This will then be recorded in the said order, and the same must also be set down in the land records of the Yamen.

(10) At the beginning of the 10th moon each landowner, taking with him his "Yut'ieh" (order), shall either proceed in person to the chih-hsien's Yamen to pay his taxes to the revenue officer of the said Yamen in accordance with the amount noted down in his order, or shall pay the same to any bank to which the landowner shall be directed, after payment of which a receipt shall be given him. The chih-hsien shall then enter the amounts received in his accounts for the period under consideration, and after having collected all the dues shall be required to send the money collected to the prefect of his prefecture, who shall in turn transmit the taxes to the Provisional Treasurer to be deposited in the provincial treasury. The Viceroy or Governor concerned will then make the usual report to the Board of Revenue. If a registered landowner fail to pay his taxes when the time for doing so has arrived and passed the delinquent shall be duly fined.

(11) No Yamen scribe or runner shall be permitted to ask for money from a landowner, whether the latter be engaged in making his declaration to the chih-hsien or when he is paying his taxes; nor shall the said landowner be allowed to give presents of his own accord. Collectors of taxes shall not be allowed to demand more than two hundred copper cash per mow, and in paying in taxes to the treasury neither delay nor any deduction in the amount of taxes payable shall be permitted.

(12) After the introduction of the new system into a province in the space of one year, the one hundred expectant officials who have learned how to inaugurate the system shall be sent to the five provinces nearest said province to introduce the same, in accordance with the manner inaugurated in their own province, into the various hsien of the said five provinces, and the high authorities of the said provinces shall also copy exactly the practice of appointing

a number of expectant officials to accompany the visiting officials, and so learn from the latter the new system. In two years' time six provinces will have thus started to work the new system.

(13) At the beginning of the third year the expectant officials of the said six provinces should be sent to the other twelve provinces (of China proper) to introduce the new system in the same manner noted above, and thus at the end of the third year of the starting of the new system the whole eighteen provinces of the Empire will have inaugurated it.

(14) The above is an outline of how the new system shall be put into execution. Of course each place, or each matter, requires certain details. The best way for it would be to wait until a certain matter has been started, and then to fit in the necessary details needed to govern same. The main object in view is that the less regulations there are the better it will be for the introduction of a new scheme. This is only an outline of how to work the scheme; if it should turn out that certain portions need taking out or require some change the best way would be to wait until the end of the third year, when all the provinces have inaugurated the new system, and then consult as to what should be added to or what measures ought to be discarded as harmful, in order that only the best manner of doing things should go finally into practice.

(15) This scheme, of course, should be confided to the various Viceroys, Governors, Provincial Treasurers, Judges and Taotais to work out honestly and diligently. Especially will it be necessary for the Ministers of the Board of Revenue to send, off and on, officials from that Board to go to the provinces and select at will the records of any districts or *hsiens* they may visit, and see whether the same system is in operation as in other provinces, or whether the records, accounts and receipts are practically similar to others, and mean what they show. After the period of three years we may certainly expect something tangible in the shape of the taxes received under the new system,

and the total amount received therefrom may be anticipated as not only as much as 400 million taels, but something more than that sum.

Part Three,

The Imperial Government having obtained this source of revenue, namely, four hundred million taels, those at the head of the Government will doubtless have their own ideas as to how the above huge sum should be disbursed. If, however, I am placed in control of this revenue, I beg to suggest the following manner of using the money.

(1) If we wish to preserve the integrity of the Empire and seek to benefit the people and guard against harm, we are bound to pay special attention to the reorganisation and improvement of our armies. In organising the troops of China, speaking in general terms, four large armies ought to suffice the country. That is to say, one army should be stationed at Chihli province, one in the Liang-Kiang (Lower Yangtze), one in the Hukuang (Middle Yangtze), and one in the two Kwang provinces (Canton). Each army should be composed of 50,000 regular troops, whose pay and rations will cost 5,000,000 taels per annum. The officers of each army should consist of 1,000 officers of the sixth grade, whose pay shall be 500,000 taels per annum; 500 officers of the fifth grade, with a total annual pay of 500,000 taels; 250 of the fourth grade, with a total annual pay of 500,000 taels; 50 officers of the third grade, with annual pay amounting to 150,000 taels; 25 officers of the second grade, whose total yearly pay shall be 100,000 taels; and 10 officers of the first grade, whose total annual salaries shall be 100,000 taels; making a grand annual expenditure per army corps of 6,850,000 taels. Four active army corps will therefore require an annual outlay in pay and rations of 27,400,000 taels. In addition to the above, there should be four military academies, each academy to cost 500,000 taels, or 2,000,000 taels for the four institutions per annum. An annual outlay in ammunition and arms of 3,000,000 taels will also be necessary, thus making

a total expenditure in regard to the regular troops of the Empire of 32,400,000 taels per annum. But regular troops of the active armies of the Empire must have a certain limit or term of service for each man, after the expiry of which term he goes into the first reserve for a certain limit of time, after which again he goes into the second reserve. The annual expenditure of the men of the first and second reserves may be computed at one-half of the amount expended on the active regular troops; that is to say, at 15,000,000 taels. In this manner, after ten years' time, we shall have 500,000 men for each category, namely, the active, the first and the second reserves, at an annual expenditure of 47,000,000 taels, or, roughly, the sum of 50,000,000 taels.

(2) There should be no delay in organising the above-named troops; but what is of more importance is, that we should be prepared to organise a fleet also. With a fleet, if there should be war, our battles with an enemy will be fought away from the country; whereas, if we have no fleet, any fighting we may have will have to be done on our own territory. We should have three fleets, one in the Peiyang (North China Seas), one in the Nanyang (Yangtze delta waters), and a third in waters midway between the Peiyang and Nanyang. Each fleet should be composed of 10 larger and 10 smaller warships, and 10 first-class torpedo-boats and 50 smaller ones. Each fleet should be manned by a total number of 10,500 men, whose annual pay should be 1,050,000 taels. Each fleet shall have 400 officers, whose annual pay will be 600,000 taels, or a total expenditure of 1,650,000 taels a year for each fleet. Three fleets will, therefore, require 4,950,000 taels per annum. The amount to be expended in the construction of the 240 vessels of three fleets should amount to 200,000,000 taels, this expenditure to be spread over a number of years, so that each year one-tenth of the above vessels shall be built at an expenditure of 20,000,000 taels a year. This shall continue year after year without cessation in order to build up the navy. There should also be three naval

academies at 500,000 taels for each per year, or a total of 1,500,000 taels for the three. The above-noted naval expenditure will, therefore, amount to 26,450,000 taels per annum, or, roughly, 30,000,000 taels.

(3) In addition to the army and navy establishments, there should be four arsenals for the manufacture of arms and ammunition, the expenditure for each arsenal to be about 2,500,000 taels, or 10,000,000 taels for the four.

(4) With the chances afforded by the possession of such a large revenue to the State, the opportunity should be taken to reorganise the salaries of the civil officials of the Empire, so that each may have a settled sum of money sufficient for his personal expenses and leaving a small margin. In this manner an official will be under no necessity of extorting money from the people under his jurisdiction. The Government, of course, know the exact number of civil officials in the Empire. I will, therefore, only give an outline of it as follows:—

Let us say there are 20,000 officials of the grade of police magistrate (Hsûnchien). These will need 3,000 taels each per annum, or a total of 60,000,000 taels for the whole; about 2,000 district magistrates (Chih-hsien) at 10,000 taels each per annum, or a total of 20,000,000 taels; about 100 prefects (Chihfu) at 20,000 taels per annum, or a total of 2,000,000 taels; about 100 Intendants of Circuit (Taotai) at 30,000 taels per annum, or a total of 3,000,000 taels; 10 Salt Commissioners (Yenyunsze) at 35,000 taels per annum, or a total of 350,000 taels; 20 Provincial Judges (Nieht'ai) at 40,000 taels per annum, or a total of 800,000 taels; 20 Provincial Treasurers (Fant'ai) at 50,000 taels per annum, or a total of 1,000,000 taels; 20 Governors (Hsunfu) at 60,000 taels per annum, or 1,200,000 taels; and, say, 10 Viceroys, at 70,000 taels per year, or a total of 700,000 taels. There are about 2,500 Superior Yamens, or Government offices, in the country for the up-keep of which it will require each about 10,000 taels per annum, or a total of 25,000,000 taels; and about 20,000 smaller Yamens, for the up-keep of which will require each about 1,000 taels

per annum, or a total of 20,000,000 taels. The officials, high and low, connected with the boards, ministries, and Yamens in the capital will require a total salary of 12,000,000 taels a year, while the ten Tartar Generals and Military Governors in the provinces will each require 1,000,000 taels a year for themselves and their Bannermen garrisons, or a total of 10,000,000 taels. Calculating upon the above basis, it will be seen, therefore, that the amounts to be paid yearly for salaries of officials in Peking and the provinces will require not less than 158,500,000 taels, or, roughly, 160,000,000 taels per annum.

(5) Now that the various provinces are engaged in establishing modern schools, with the important object of educating men for the service of their country, there should be some reliable source of revenue to support said schools, so that there may be no danger of breaking down half way through want of funds. Out of the revenues of the new land-tax scheme there should, therefore, be set aside an annual sum of 10,000,000 taels for said schools.

(6) The postal system in all countries has for its object the convenience of the people at large. China having also started the system, should lay aside a certain set amount for the support of said system. This branch of the Government at the commencement is always a losing one—the expenses exceeding the income—but in due course of time when the system shall, after several years, be made to run smoothly everywhere and experience has been gained, the income will certainly be more than sufficient to meet expenditure, which will require about 1,000,000 taels per annum.

(7) Télégraphs are of the utmost importance to the machinery of State, while at the same time they benefit greatly merchants and the masses. The circumstances attending the establishment of telegraphs in a country are similar to what is usually experienced with reference to the postal department; that is to say, in the beginning the expenditure on telegraphs always exceeds the income accruing therefrom; but, in course of time, all will be

changed, and the income will always exceed the expenditure. At present this department requires an annual expenditure of 5,000,000 taels.

(8) In foreign countries in the West it is customary to take out of the revenues of the countries in question a certain sum for the up-keep of the Royal Palaces. China may therefore well follow this example and lay aside from the total revenue of the Empire a sum, say, of 10,000,000 taels for the purpose.

(9) In a word, therefore, in accordance with the foregoing, we have an estimated annual expenditure in round numbers under the following headings:—

	Taels.
(a) Army	50,000,000
(b) Navy	30,000,000
(c) Arsenal	10,000,000
(d) Salaries of Civil Officials	160,000,000
(e) Modern Schools	10,000,000
(f) Postal Department	1,000,000
(g) Telegraphs	5,000,000
(h) Palace expenses.	10,000,000

An aggregate expenditure of 276,000,000 taels. Deducting the above from the estimated land-taxes of 400,000,000 taels, there is still a margin of 124,000,000 taels. This amount may be placed in reserve to meet emergencies, or it may be used at various times upon important schemes which shall be beneficial to the Empire and the masses. It would be folly to squander the excess named in the foregoing upon frivolous matters or for useless pleasures. Besides the excess accruing from the land-taxes, there are the revenues to be derived from the customs and salt-tax. These taxes give, roughly, an annual revenue of some 40,000,000 or 50,000,000 taels, which will easily suffice to pay off foreign loans and the war indemnity. After the liquidation of the above liabilities of the Empire, it would be a good plan to abolish both the Customs dues as well as the salt-tax, in order to give freedom of trade to the people

which, while enriching them, will procure a reserve of wealth to the masses, and consequently to the enrichment of the whole Empire.

Part Four.

The foregoing suggestions were divided into three parts. Part One dealt with the question of raising funds through the land and poll-taxes ; the estimates being on the basis of the superficial area of the country, from which the number of mow of land was calculated, and then the amount obtainable from taxation of said land. Calculations were made on a substantial basis which could be easily put to proof, and with regard to which there could be no room for doubt. Part Two suggested the manner of procedure in inaugurating said taxation. The methods of taxing suggested by others are many, yet that proposed by the author of these recommendations (Sir Robert Hart) is in his opinion practically substantial and feasible. Part Three showed that since the country has at command such an immense revenue, the money should be used to inaugurate and put into operation a number of schemes of vital importance and indispensable to the Empire. Plenty of margin was allowed over and above the estimated disbursements, so that none concerned would find themselves burdened by the conditions of the case. Although the items of disbursement are many, in course of time there will surely be an excess of revenues available.

The proposed manner of reorganisation of the land-taxes not only will not harass the people, but upon averaging the matter the amount of tax demanded for each mow of land will be less than that hitherto paid by land-owners. Moreover, by land-owners being required to go personally to the Yamen of their own chih-hsiens, or district magistrates, to pay their taxes, they will be exempted from the extortions and impositions of Yamen underlings going into the country villages to call for and hasten the payment of taxes.

With regard to the fact that civil officials of the Empire will get large salaries abundantly sufficient for their own wants and the support of their families there will be no harassing thoughts regarding family necessities, and all private anxieties will be removed. These officials may therefore be expected to do their duties with equable mind and free from all distractions. Funds for national measures that may be needed for the Empire may thus be provided for from the land revenues, and even then there will be an ample margin left.

The war in the Eastern portions of our Empire has already begun, and no one dare venture at the present moment to foretell which shall be the winner and which the defeated Power, or how many months, or even how many years, it will last. One thing we know about this, however, is, that the battlefields are to be within the territories of China, while our people inhabiting regions in the neighbourhood are surely in danger of suffering all kinds of the severest hardships and oppressions. Finally, when the war comes to an end, the treaty of peace entered upon by the belligerents will certainly contain clauses affecting the Eastern and Western portions of the Chinese Empire. It therefore behoves China to seize the opportunity lying before her now to use her utmost strength and best efforts to start properly various measures of vital importance to the country, so that when the time arrives when it shall be incumbent upon the Imperial Government to make a declaration, China shall be in a proper position to do so, and compel others also to listen to her wishes without any opposition. In a word, the present is the time to inaugurate measures for benefiting the country and for guarding against any contingency of harm. In urging a reasonable policy we must all the more advocate strength; desiring strength we must strive to make ourselves powerful, and to make ourselves powerful we must naturally seek for ways and means whereby we may obtain the necessary funds. So far, all sources of revenue we have in view do not show a sufficiency coupled with a margin, except it be the sole

one of reorganising the land-taxes, which when collected will be sufficient for all purposes.

Some one may argue that this proposition being one that has never been tried before, it is therefore what is nowadays styled "A New Scheme" [Reform Translator]. But for all that, its being a new scheme should not render it liable to opposition as one that ought not, for that reason, to be permitted to be put into effect. A scheme must be shown to be feasible or unfeasible, and so put into effect or shelved as the case may be. The fact of its being a new or old scheme should not be allowed to militate against it, or *vice versa*.

Again, on the other hand, it may be argued that one of the injunctions placed by an Imperial Ancestor upon his descendants occupying the Throne, strictly forbids in perpetuity any additions being made to the land taxes of the Empire, and therefore it would be presumption to propose such a measure. This kind of argument is, however, quite wrong. The plan proposed is not to add to the land tax, but only that there should be one uniform taxation throughout the whole Empire.

A proposition like the present earnestly seeks a tangible and practical solution of the question (of finance) and the reorganisation suggested is one that is needed to meet the exigencies of the times. Moreover, the method of reorganisation proposed is both simple and easy to put into effect. It only requires diligence and honesty of purpose in undertaking this duty, in which case the people of the Empire will be certain to fall in with the plan with glad and willing hearts, while officials naturally will use their best efforts to put the scheme through.

When the Imperial consideration has been given, it will be necessary to go into the matter with care and detail, in order to decide whether to inaugurate the scheme or to abandon it. The moment, however, it has been decided to start it, and due notice has been given to those in Peking as well as in the provinces, then no one shall be allowed to obstruct the scheme by trying to persuade their Majesties

to rescind their consent, no matter who the person may be who shall attempt to do so. Even should such an attempt be made, there is no reason why the person's word should be listened to by their Majesties. With reference to suggestions, that may be made by anyone, it is only needful to consider whether such suggestions meet the exigencies of the crisis ; it is unnecessary to discuss their merits on the basis of who the person may be who has made the suggestions in question.

With regard to this reorganisation of the land tax it will be necessary first to report upon the number of square li of a place, next the number of mow of land therein, and then the tax levied. If the report is substantially correct, then will be the time to consider how to reorganise the old system, to see whether the new plan will be lighter and easier of manipulation and also that it will not cause trouble and inconvenience to the people.

If the new plan meets the above requirements, then the amount of tax to be levied shall be considered. After all this has been done, and due examination made as to whether the new tax shall be sufficient for the purposes in view, and it has been found to be practical and feasible, then will be the time to decide about putting the new scheme into effect. My opinion is that if the foregoing scheme can be put into execution, the revenues of China will certainly increase from year to year, while it will follow that the power and strength of China will be greater and greater year after year. I, indeed, stand looking eagerly forward to the accomplishment of all these things.

[*Note.*—The above recommendations of Sir Robert Hart have been sent to the various Viceroys and Governors of provinces to be reported upon.—TRANSLATOR.]

¹M. A FORECAST OF THE COURSE OF THE WAR, WRITTEN BEFORE PEACE WAS SIGNED.

I. THE MILITARY ASPECT.

The dispersal of Kuropatkin's grand army and its retirement towards the north places the Japanese commanders on their true line of advance, the march on the great Sungari wheat plains in which Harbin is placed. But although Kaiyüan was reached on the 20th March it is well to remember that this town is upwards of 400 versts, or nearly 300 miles, from Harbin by the railway route, and that each step will have to be made very carefully by the Japanese as they progress farther and farther into central Manchuria. The town of Kaiyüan, twenty-five miles north of Tiehling and sixty-five beyond Moukden, has been rapidly seized for the specific object of effectively masking the great base for the onward march. That great base will undoubtedly be Tiehling, for the following reasons.

Tiehling marks the highest navigable point on the river Liao, and is approximately one hundred and eighty miles from the treaty port of Newchwang. The 20,000 junks which crowd this important inland waterway during the open season (April to November) bring down enormous quantities of raw produce and carry back to a somewhat lesser extent imports of European and American origin. These junks will be ready to play the part of an auxiliary supply service to the main Japanese armies, and will transport the tens of thousands of tons of military stores collected at Newchwang. In 1900 the Japanese were the first to organise properly a junk supply-service from Tongku and Tientsien up to Tungchow on the Pei-ho when the Peking relief force marched on the capital of China. In

¹ *Publisher's Note.*—The following pages, written under the impression that the war would be one of exhaustion, contain too much valuable information to be suppressed.

such matters history always repeats itself; and in passing it may be well to point out that by the capture of Tiehling the Japanese have not only secured an important line of communications, but have in addition insured that the enormous quantities of beans and bean-cakes necessary for Japan will be this year available.

Again, Tiehling is 449 versts, or say 300 miles, by rail from Dalny, the second great landing point for Japanese military stores and material; and from Dalny munitions of war can be transported in twenty-four hours, whilst slow-moving food supplies can take the water route. Then the military railway, running from Antung to Liaoyang, is now completed, bringing the Yalu estuary within 240 miles of Tiehling by rail. Finally, it is not unwise to suppose that the railway belonging to the Northern Chinese Railways, which has its present terminus at Hsinmingtun, together with a Chinese cart service of some thousand carts, will enable many thousands of tons of military stores to be transported monthly from this railhead to the advanced base.

With four lines of supply available, Tiehling is the natural base for the Japanese armies advancing into Central Manchuria, and by the middle of 1905 a grand advance will be directed from this point.

Parallel to this main advance, what it will be well to call the Japanese Eastern Manchurian armies will be in the field. Working north from Hsengking, eighty miles by road to the east of Moukden, these light armies, suitably equipped for mountain and hill-work, may be counted on to move on parallel roads with the main armies into Kirin province. The natural line of advance of their eastern forces is on the Hailung-ch'eng districts, one hundred miles to the north-east of Tiehling and about seventy miles due east of the Manchurian railway. Curiously enough they will find these Hailung-ch'eng valleys thickly peopled with Chinese settlers owing to their war with China ten years ago. In 1894 and 1895 great numbers of Chinese were driven north out of the Liaotung peninsula owing to the

advance of the victorious Japanese armies, and many settled in the virgin valleys of northern Fengtien province and southern Kirin, where they will now see once more in a friendly spirit the soldiers of the Island Empire arrived at Hailung-ch'eng. Kirin, the important capital of the province of the same name, will be but one hundred odd miles from the eastern armies when they have reached Hailung-ch'eng. And here it becomes necessary to consider the main Japanese advance.

At once the question may be asked, Will the Japanese march directly on to Harbin and attempt its capture this year or will they act more cautiously and secure every point between them and the sea before the final battles? This question is seemingly easily answered. A few miles south of Kaiyüan—itsself some twenty-five miles to the north of Tiehling—the old Chinese Imperial highway which unites Kirin to Moukden branches away to the north-east, leaving the Manchurian railway far to the west. Kaiyüan is already occupied by the Japanese and the road-head protected. It is safe to conclude that along this road an army will advance directly on Kirin from Tiehling, a formidable journey of two hundred miles across terrible roads which will take the best part of half a year. Thus the armies advancing from the Hailung-ch'eng districts and by the Imperial highway will slowly converge until they join hands in the neighbourhood of Yitungchow, seventy miles south-east of Kirin, and should attempt the capture of the important provincial capital of Kirin by the autumn of 1905, so as to go into winter quarters in November.

The occupation of Kirin will be strategically far more important than the occupation of Moukden because the head-waters of the great river the Sungari will be reached and a base provided for further important operations which will be shortly considered.

Meanwhile the main Japanese advance will be pushing on, steadily following the course of the Manchurian railway—for financial considerations will not permit of any Japanese dallying—and from Tiehling (verst 440 by the Russian

railway map) a direct advance will be made on Kuangch'engtzu, verst 660. Two hundred and twenty versts, or one hundred and fifty miles, separate these two cities, and many weeks must pass before Kuangch'engtzu, the most important entrepôt for trade in the whole of Manchuria, containing a quarter of a million of inhabitants, falls into Japanese hands. For from Kaiyüan (verst 471) to Kungtzuling (spelt Gouchouline on the Russian maps) at verst 600, the railway passes through districts bordering on the rolling plains of Manchuria which are highly favourable for cavalry-raiding operations. It will be very interesting to see whether the Russians will be more successful at cutting the railway than the Japanese have been in this novel form of warfare.

At Kungtzuling, one hundred and ten miles from Tiehling and eighty-five from Kaiyüan, you pass from the province of Fengtien into that of Kirin. You are likewise no longer in the basin of the Liao, but in that of the Sungari, and the rolling hills to the east mark the dividing line of the two watersheds.

It is almost certain that a sharp battle will be fought here and that only considerations of great importance will force the Russians to retreat. Once Kungtzuling is in Japanese hands the fate of Kuangch'engtzu is sealed, for, Harbin, lying on vast open plains, it awaits capture from the first resolute foe.

The increasing bitterness which must distinguish the Russian defensive during the year 1905, as the Japanese advance farther and farther to the north and nearer and nearer to Harbin, will undoubtedly lead to constant attacks being made on the ever lengthening Japanese lines of communication. To the north of Tiehling there is no neutral territory to ensure the Russian or Japanese flanks against wide turning movements. So long as the campaign was being prosecuted in southern Manchuria neither of the belligerents had to do more than post observation corps along the river Liao to the extreme limits of their wings. West of the Liao or Liao-hsi was strictly neutral territory,

and although the history of the war has shown that neither belligerent was inclined to attach much importance to the Chinese restriction, still, it was tolerably certain that open violation would be immediately noticed.

North of Tiehling there is no such convenient limitation to the area of hostilities, and the Japanese, being committed to an offensive policy, will be the greatest sufferers. The river Liao sweeps west by north in an ever-narrowing stream once Tiehling is left until it finally ends in a swampy rivulet called the Sira Muren in Mongolia. A consideration of this factor will force the Japanese to establish a block-house and barbed-wire system along the western or Mongolian side of the railway and to leave strong garrisons and posts in growing numbers as they progress farther and farther afield. Unless such measures are taken the railway will be in constant danger of being cut, and it is not improbable that, the way open, marauding bands of Cossacks, pushed boldly from Mongolia due east across the railway, will cut up supply trains and threaten the entire rear of the Japanese parallel lines of advance.

The fall of Kuangch'engtzu, which must be expected simultaneously with the occupation of Kirin, will complete some very useful work for the Japanese—they will occupy the two great bases of central Manchuria from which operations against the enemy, who will be by then massing very formidable numbers on the Sungari plains, with Harbin the grand centre, can be conveniently directed. Kuangch'engtzu will provision the Japanese armies from its vast granaries, and beyond them the great Sungari will lure them on. •

From Kuangch'engtzu the second great step northward will be made, *i.e.*, to the upper Sungari crossing. Kuangch'engtzu, at verst 660, is but seventy miles from Ta-laichiao, verst 767. Kuangch'engtzu is also only eighty miles by road from Kirin, which commands the headwaters of the Sungari, and a branch railway should by now connect these two important centres.

Once at Kuangch'engtzu and Kirin, therefore, the

Japanese Generals will join hands over an eighty mile front, and so long as the Tiehling-Kuangch'engtzu left or Mongolian flank of the railway is properly block-housed and garrisoned, the Japanese will be as secure from surprises as they have ever been. To the east and to the south of Kirin formidable ranges of mountains bar the advance of hostile forces. The Ever-White Mountain, the Little White Mountain, and hundreds of other rugged eminences forming one continuous range of mountains covered with primeval forests stretch from the Tung-hua prefecture in Fêngtien province (near the headwaters of the Yalu), due north until Ninguta is reached. Then, falling into pleasant valleys for a few short miles, the rugged heights once more rear themselves commandingly above Manchuria, and continue in this fashion to the Amur and beyond. This mountainous belt of eastern and north-eastern Manchuria is no country for armies to travel in, and at Kirin the Japanese will command the only highway to the north-east, the Kirin-Ninguta road.

But a new feature has now to be considered—the Japanese invasion of the Primorsk from North-eastern Korea. It is too soon to speak with certitude of this movement, but it is certain that it must come. In November, 1904, Japanese engineers were busily constructing military roads between Seoul and Wonsan (Gensan) and from Wonsan into the Hamyong provinces. The road from Wonsan towards the Russian Pacific province frontier keeps within a few miles of the sea coast. Two divisions have been landed recently in Korea, and have marched away to the north. Syoung-chin, which is only a hundred odd miles from Possiet Bay, is already in Japanese hands. Almost unremarked, they are rapidly pushing forward, and within a short time it is reasonable to suppose that Possiet Bay will be occupied, and transports from Hakodate pouring in more men.

This new Japanese army, issuing from the head of the Korean peninsula, will have two objectives; first, the cutting off and investment of Vladivostok, and second,

the march on Ninguta. From Possiet Bay to the rear of Vladivostok will be a tramp of at least one hundred miles—to Ninguta about one hundred and fifty. From Chinese Hungchun, which lies a few miles inland from the Possiet inlet, there is a Chinese military road to Ninguta, which the Chinese have obligingly improved. Along this road the Japanese will carefully make an advance should nothing untoward occur to disturb their present plans, and the object of a Kirin occupation will be now clear. For from the capital of Kirin province another Japan army will push forward to Ninguta, a distance of 150 miles, and once it has joined hands with the Korean force a powerful army will be available to turn their backs boldly on Vladivostok and march west by north-west parallel to the Manchurian railway to Harbin. Nor is this all. From Kirin a second army can cross the Sungari and march down its right, or eastern, bank, accompanied by boat transport. Kirin city is the inland dockyard of Manchuria, and has an enormous number of junks, which will be available for Japanese use. Thus everything is in favour of this route being adopted, including the fact that the Russians have cut a broad military road from this provincial capital straight to Harbin.

The operations of this Kirin force will lessen the difficulties of the main Japanese armies, which cannot move far from the all-important railway, and which must effect the difficult crossing of the upper Sungari in the vicinity of the great railway bridge. It is certain that the Russians will not surrender this important strategical point without offering the most desperate resistance; but the fact that the Kirin outflanking force will be already marching along the north bank across the river, converging on the main advance whilst the Ninguta armies strike direct at Harbin far in the rear, will undoubtedly create great confusion in the Russian councils of war.

Once the main Japanese armies are all across the Sungari, the wonderful spectacle will be offered of at least 800,000 men marching from many points of the compass

on Harbin, whose capture is absolutely essential to end the war. These armies, which will have converged, united, and split themselves up again and again, will then form a vast cordon of solid divisions, covering an arc-like front of two hundred miles in extent. Three distinct main lines of advance can be made; along the Ta-la-chiao railway, along the Ninguta-Harbin railway, and along the course of the Sungari river. Each advance will have a water or rail communication with its base, and on these vast Sungari plains, the richest granary in the world, will be fought those desperate encounters which will seal the fate of Central Manchuria. Far to the east the Japanese Siege Corps will thunder their guns at Vladivostok and carry • dismay into all hearts.

The whole course of the war's future may be governed by one single thing—a determined resolution on the part of Russia to make such an immense effort and to concentrate such enormous forces in Manchuria that it would be foolhardy for Japanese commanders to take the offensive. If the Russian Government and the Czar are really determined to make this effort, and the revolutionists allow them to do so; if they place all the resources of a vast Empire at the disposal of the Siberian and the Manchurian railways; if internal dissensions are all buried, then I am of the opinion that the future is still an uninviting one for Japan. Such a statement may seem curiously inconsistent with what has been already written at such great length; but this can be very rapidly explained in a single sentence. Russia is only now, in the fourteenth month of the war, beginning to understand the nature of the struggle on which she so carelessly entered. I have already stated that General Linevitch, who has now succeeded to the supreme command, was of the opinion six weeks after the outbreak of the war that 300,000 Russian soldiers were all that were necessary to crush Japan as flat as the Liao*plains. Even after the Shahe October battle, the highest Russian opinion decided that seventeen army corps, or, say, 550,000 men,

would be enough to redeem the past. The fall of Port Arthur heard it proclaimed that 200,000 additional men would be enough to be despatched, which, allowing for daily attrition and the maintenance of a respectable Vladivostok garrison, meant that a field army of 650,000 men was the greatest force which the most pessimistic regarded as necessary. But the battle of Moukden has changed all that, and I am informed on the best authority that the Russian armies in Manchuria are to be raised slowly and methodically until the million mark is passed and every one of the thirty-two army corps of Russia is represented in the field. If such an extraordinary result is accomplished during the next fifteen or sixteen months, it will impose an intolerable strain on Japan, for it would be difficult for her to despatch one million men to Manchuria, guard the long lines of communication, and attack Vladivostok, meanwhile keeping reserve armies in Japan. To have to defray the enormous expense of maintaining approximately 2,000,000 men in the third year of the war would mean a monthly disbursement of some ten or twelve millions sterling at a conservative estimate—a burden which the Japanese Government could endure with difficulty. It is well, therefore, to inquire immediately what will be the practical outcome of this maximum Russian effort, resolved upon after the disastrous battle of Moukden.

It must be once more said that the theorists who sit in Europe and pronounce upon railway-carrying capacity have been completely nonplussed by the remarkable performance of the Siberian railway. At the beginning of the war we were confidently told that four of five troop-trains per diem was the maximum capacity of the indifferently constructed Russian trunk-line, and that to talk lightly of hundreds of thousands of men being transported to the Far East was to exhibit an ignorance little short of monumental. Later on great emphasis was laid on Prince Khilkoff's efforts to increase the capacity of the railway,

It was finally stated that 200,000 men, or possibly 250,000, could be provisioned by the railway, but not one man more, and in the new estimate it was allowed that the original maximum of 800 men per diem might be raised to 1,200. Are such calculations worthy of consideration? Emphatically, no. I am in a position to state definitely that the average number of military trains arriving in Harbin from Europe has been for many months past fourteen per diem, and has now been increased to twenty-three, and that, in the opinion of the two American experts attached to Harbin, that number can be increased without insuperable difficulty to thirty-two a day. The average load which the supply-trains have carried is impossible to state, because, under the guidance of American expert opinion, trains have been doubled and trebled, and the great hauling power of the Russian locomotives used to their utmost capacity. But I may state that stores amounting to 6,000 tons dead weight have been received in Harbin in a single day, and that it will be soon possible to make this amount the daily total if the extensive looping, heavy-rail changing, and track-doubling programme drawn up some months ago is carried out in its entirety.

Before proceeding further, however, it will be wisest to make an attempt to estimate the number of troops who have entered Manchuria since the beginning of the war. Since there was a delay of some weeks before the flow of reinforcements began to stream towards the Far East, it will be well to calculate from 8th February, 1904, to March, 1905, as exactly one year of warfare, and discover what conclusions may be drawn from results actually accomplished by the great Siberian railway. By a curious method of calculation, and by collecting details which have reached me in various ways, I estimate the total number of Russian troops in Manchuria and the Pacific Province to have been 559,000 men in the last days of February, 1905. The distribution of these men was as follows :—

1. Kuropatkin's Three Armies	388,000 (26th Feb.)
2. Vladivostok Command, including details in Ussuri districts and along Korean Frontier	47,000 (14th Feb.)
3. Augmented force of Railway Guards	46,000 (17th Dec.)
4. Total number in Manchuria Hos- pitals (Harbin Report)	64,000 (3rd Feb.)
5. Losses at Heikoutai	14,000

559,000

Immediate exception may be taken to some of these figures; for instance, to General Kuropatkin's armies on the eve of the great battle of Moukden. The Japanese estimate the number of Russian infantry who took part in this battle at 300,000 odd (412 battalions of an average strength of 750 bayonets), whilst the cavalry and artillery are each credited with 30,000 men more. But I am informed on first-class authority that a number of infantry battalions were not far below their full strength, and I conclude that 388,000 is a minimum and not a maximum estimate. Again, the Vladivostok garrison was reported to have been drawn upon largely to increase the strength of Kuropatkin's main armies after the fall of Port Arthur; but although the two divisions were actually moved from the Primorsk to Moukden, the gap thus made was subsequently partly filled by the arrival of fortress troops from Russia in preparation for the siege which all Russians regard as inevitable once the winter breaks up. Finally, both the number of railway guards and the men in hospital may be accepted as approximately correct, since the totals were furnished from a reliable source. Accepting, therefore, this grand total as approximately correct, we must arrive at two other definite conclusions; the number of troops in the Far East at the outbreak of hostilities, and the total Russian dead loss in twelve months warfare, *i.e.*, killed or ~~die~~ of wounds, crippled men invalided home, and prisoners. We are now on surer ground, since during the six months before the war the most exhaustive studies were made on

the spot concerning the first question and that a careful count has been made of all Russian casualties.

On the 8th Feb., 1904, there were in the Far East approximately the following troops and railway guards.

1. Manchuria, including the Kuantung leased territory (Port Arthur)	100,000
2. Amur military province (including Vladivostok)	46,000
3. Reservists liable to be called in	30,000
	<hr/>
	176,000

This total of 176,000 men in the Far East is a conservative estimate. Had the reinforcements which were scheduled to entrain in Russia actually arrived the number would have been greater, but both the reinforcements coming by land and by sea (from Odessa) were temporarily stopped, and thus the maximum estimate (given in "Manchu and Muscovite") of 207,500 was not reached. This total of 176,000 may be therefore taken as correct.

And now regarding the second question, The actual garrison left for the defence of Port Arthur when General Oku's force was cut off from the fortress was 48,000 men. All these were either killed or captured by the Japanese. The actual losses in the great battles and minor engagement during the whole year of 1904 are more difficult to state; but tabulating them and placing them in their order of importance, the following estimate will not be deemed either too conservative or too excessive.

Battle of the Shaho	56,000 men.
Battle of Liaoyang	26,000 "
Battle of Telissu	9,000 "
Battle of the Yalu	7,000 "
Battle of Tashihch'iao	4,000 "
Minor battles of Kaiping, the Motienling, and other Manchurian passes	12,000 "
Thirty small engagements	10,000 "
And allowance for daily attrition	40,000 "
	<hr/>
	164,000 men.

Assuming the ratio of one man killed for every four wounded, which has been the almost exact average for the war, of this total of 164,000, 33,000 were killed outright and say 140,000 wounded. A Japanese official report has been published showing that upwards of 30,000 Russians have been buried by the Japanese armies. A total loss of 33,000 killed or died of wounds must therefore be called a very conservative estimate. What proportion of the wounded sustained injuries to incapacitate them for further service in the field it is difficult to say, but to make an allowance of twenty per cent. will be to err on the side of leniency. To the 33,000 killed must be added, therefore, at least 28,000 crippled men invalided home. This gives us the necessary data.

Lost at Port Arthur	68,000
Killed	33,000
Crippled and sent home	28,000

Total 129,000

Of the original Russian army in the Far East, amounting to the total of 176,000, but 47,000 remain in the field—and no allowance is made for sick men at all. Deducting, therefore, this number from the 550,000 we have allowed as being in the Far East in the last week of February, we arrive at the astonishing fact that 503,000 new troops have reached the scene of operations during twelve months. From Lake Baikal I am informed that 445,000 men actually passed during 1904. But this is so little different from what the critics have estimated (800 to 1,200 men is a maximum estimate) that a further statement must be made. It is this: that during the first few months of war, the daily average arriving in Harbin was but from 600 to 800 men, and that even when the great reinforcements began to stream into Manchuria there were breaks in the long line of trains owing to mobilisation delays. After the Shaho battle the flow became steady and continuous until the number I quoted in my former work, 1,800 troops per diem, was reached and maintained. We may take it, therefore,

as certain that Russia can continue pouring troops into Manchuria at the rate of at least 50,000 a month, and possibly at 70,000, until political considerations in her home provinces make further mobilisation impossible. On such a matter it is impossible to pronounce with certainty ; but it would seem that all revolutionary talk would gradually evanesce after its wont and the despatch of reinforcements continue uninterruptedly.

Assuming the grand total in the Far East before the Moukden battle as 550,000 we have now to consider the numbers which will be approximately available at stated periods during the next fifteen months. The Russian loss in killed, wounded, and wounded and unwounded prisoners, amounted in the battle of Moukden to 130,000 men ; but of these at least 60,000 wounded were forwarded to Harbin during the next three months, and at least 40,000 will rejoin the ranks, therefore the strength of the Russian armies will still be nominally 400,000. Deducting 60,000 for the Vladivostok and Ussuri garrisons, 40,000 for the railway guarding, the Russian Commander-in-Chief will still have a nominal force of 300,000 in the field ; and even if 100,000 are classed as non-effectives in the hospitals, by the 15th June reinforcements amounting to 150,000 men will have arrived, making the field armies in the vicinity of the Sungari river at least 350,000 strong. It will be thus clear that if Russia makes the great effort which she assures the world she is about to make, there will be in Manchuria a field-force

on the 15th June of	350,000 men
on the 15th September of . .	500,000 „
on the 15th November . . .	600,000 „

when campaigning will become impossible owing to the intense cold of Central Manchuria. And in such calculations no allowance is made for the extra capacity of the Siberian Railway brought about by track-doubling and looping which is already proceeding energetically. The daily average of fourteen troop-trains, excluding supply-

trains, is quite certain to rise to at least twenty by the middle of the present year, to twenty-five by the end of the year, and to thirty-two by the beginning of 1906. Nor is there any reason why troops should not continue to be despatched indefinitely from Russia if only the question is considered of the number of trained men that the great Northern Power has in reserve. Of the 800,000 or 900,000 young [men reaching every year their twenty-first year, upwards of 200,000 have been taken into the active army for a long time past. Five years are passed in the active army by the Russian recruit, and thirteen in the reserve; and thus, by making an appeal only to the "Zapas," or trained reserves, Russia would have a force on paper amounting to considerably over 3,000,000 men. The lowest estimate which can be made of the peace strength of the Russian army puts the number of officers at 42,000 and the rank and file at upwards of a million men. In war the total strength is approximately 4,000,000 trained men, whilst, by having recourse to the "*opolchenie*," many millions more of partially trained and totally untrained men might be added. To raise the Manchurian armies to a million men is therefore nothing if the internal situation in Russia allows it. The fact that Germany is undoubtedly on the side of Russia, and, while maintaining a strict neutrality, has given guarantees which allow Russia to strip her western frontiers of her best troops, cannot but have a most important bearing on the whole question of reinforcements. Nor can there be any satisfaction in the fact that Manchuria as it stands to-day is the best campaigning country in the entire world. Apart from the fact that the greatly increased and constantly increasing capacity of the Siberian railway will ultimately allow military stores and provender to be conveyed into Manchuria at the rate of from 4,000 to 8,000 tons a day, it must be borne in mind that, so long as the Japanese have not captured the immense granaries of the Sungari, Harbin flour and Harbin cattle will feed the bulk of the Russian armies in Manchuria. Four immense mills and

two small ones were completed in 1903 in Harbin, and are daily milling nearly half a million pounds of flour. Other mills were then in course of construction, and although personally I am unable to state finally whether all or any have been actually completed since the outbreak of war, a Russian correspondent informs me that two monsters, each with a daily capacity of 6,000 poods—say, 200,000 pounds—began work in 1904.

In "Manchu and Muscovite" I stated that great emphasis would have to be placed on the fact that Harbin would shortly produce 1,000,000 pounds of flour daily, and it is with the earnest conviction that the Sungari supply is upwards of 4,000 barrels a day that I now write. When it is added that the Ussuri districts are also dotted with small mills, it is plain that until Harbin is captured and the Primorsk cut off, the stomach of the war will not be affected by the crushing blows dealt on the Russian head and arms. The province of Heilungchiang and Mongolia contain vast flocks and herds; Manchuria has Chinese bootmakers and tailors by the ten thousand, who will work for either belligerent in order to reap the golden and paper harvest sown by the passage of vast armies; boots, sheepskin coats, soldiers' blouses, trouserings and dozens of other things will be made everywhere in Manchuria in the future as they have been in the past, and forwarded by devious ways to the Russian commissariat and supply headquarters just as freely as they voyage to the Japanese.

Thus there can be but little hope that starvation will threaten the Russian army of a million men, which is already spoken of. The army, if time is given for it to assemble on the Sungari plains, will inflict immense losses on the Japanese, an ever-victorious soldiery though they be, and will put peace farther off than it has ever been before. For the Russian is a wolfish fighter, and the extraordinary physique of the nation only begins to be appreciated when disaster after disaster has demonstrated a toughness and a resisting capacity which scorns breakdowns.

The one great question is, therefore, now as it has been in the past, Will the Japanese give the Russians the time they need to mass fresh armies in the field—armies which, offering a stubborn resistance at strategical points I have already indicated, will finally fall back across the Sungari and exhaust themselves in making the great waterway an impassable barrier? It is too soon to say, but in view of the fact that by the end of June the Russian Commander-in-Chief will dispose of a force superior to that possessed by Kuropatkin at Moukden, and that by the time the winter frosts have begun again in October-November the numbers of Russian soldiery, allowing for reasonable losses, will be considerably over half a million, it is to be hoped that the fall of Harbin will be encompassed before the end of the year.

If one could only be certain that Harbin would be in Japanese hands before 1906, it would be easy to deal with the remaining factors of a vast problem. But until that great stomach of the war collapses, even the most sanguine must confess some embarrassment. It has likewise been too often said, putting entirely aside the question of Manchurian supplies, that Russia relies on a single line of railway, 6,000 miles long, to prosecute the war by bringing supplies from European Russia. This, if not actually nonsense, is at least an overstatement, which is highly regrettable. Divided into four grand sections, and taking Moscow as the centre of the Russian Empire, the distance by rail to Harbin is but 4,800 miles (7,249 versts). From Moscow to Cheliabinsk, at the foot of the Urals, is 2,059 versts, from Cheliabinsk to Irkutsk is 3,040 versts, from Irkutsk to Manchuria station 1,274 versts, and from Manchuria station to Harbin 876 versts. Between Omsk and a point considerably east of Tomsk there are the immense grain-growing districts of western and central Siberia, from which, previous to the war, great quantities of foodstuffs were conveyed to Europe. In the regions around the rivers Ob and Irtisch, grain has long been a drug in the market, and the war has afforded a necessary outlet. Omsk

is but 2,000 miles from Harbin ; Tomsk only 2,000 miles, and, therefore, although the troop-trains conveying reinforcements must travel some 5,000 miles, the supply-trains in many cases have less than half that distance to cover.

In the event of the fall of Harbin, which is a practical possibility liable to occur any time during the end of 1905, it would be still possible for the Russian Government to establish a fresh base on the right bank of the river Nonni in the Heilungchiang province of Manchuria, and, relying entirely on Siberian foodstuffs, continue the war to the bitter end. Once Harbin has fallen, Vladivostok will ultimately go too, and with it the whole of the Primorsk or Pacific province. Japanese armies would then have no difficulty in establishing a natural fortified line formed by the Sungari from Harbin to the Amur mouth.

JAPAN'S POWER OF ENDURANCE

II. THE FINANCIAL ASPECT.

Before the great conflict had begun and whilst the war-clouds were gathering thicker and thicker over the Manchurian-Korean mainland, until the discerning could plainly see that but one rude arbitrament was possible, Japan's friends and allies were sending warning after warning across the seas, pointing out the greatness of Russia's resources ; the mighty hosts of men she disposed of ; the unlimited credit she enjoyed in Europe ; and the peculiar prestige and power of a throne on which is seated a Czar, pleased to appear in the almost superhuman character of the representative of God, a Czar who, borne aloft in Imperial splendour, strikes such reverence and implicit obedience into the hearts of the countless admiring multitudes that from the waters of the Caspian and Black Seas to the frozen shores of Okhotsk millions would unendingly stream forward to do his bidding.

Japan still loomed up in the minds of those who sat in judgment twelve thousand miles away, as a country which

had as yet hardly shaken itself free from the financial troubles and embarrassment incidental to an extraordinary and somewhat forced development, and which therefore could not be counted on to meet the strain of a truly great war without breaking under the immense burden imposed.

Whilst the echoes of these prognostications still filled the air, came Togo's exploits, the victorious passage of the Yalu, the deathless fight of Nanshan, in which the Mikado's tortured legions flung themselves at the eleventh hour against acres of barbed wire and burst the bonds which restrained. Then later on the savage battle of Telissu; the forcing of the great Manchurian passes; terrible Liaoyang and still more terrible Shaho; and after these exploits comment in distant lands lost something of its point, for the situation was plainly getting beyond facile understanding. Port Arthur bringing, however, a temporary lull to all this activity in the field, once again it seemed as if Japan had shot her bolt and was halting indefinitely to gather strength. Internal and external loans had been floated to the sum of £50,000,000 sterling; the war was still young; Russia was only beginning to mass her great reinforcements; who could say how long Japan could stand this tremendous pace? Somewhat guardedly, and with every reservation possible, the question has been anxiously asked in many ways. In almost every case no adequate answer has been made, and the major portion of the world labours still as much in the dark at the present moment as it did in the beginning with regard to this all-important matter. It is therefore obviously time to make some note of these things, and to inquire calmly how long Japan can continue waging war before reaching complete exhaustion.

But before going any farther it is necessary that a point which is apt to be obscured by the rush of events should be taken into due consideration. The point is this: that the Japanese nation has fully made up its mind long before the war that if circumstances made the maintenance of peace impossible, the struggle with Russia would not cease until either a satisfactory settlement was reached or the Island

Empire was completely and entirely exhausted in money, materials and men. The question to be investigated is therefore quite clear; it is nothing less than to determine when Japan's exhaustion-point will be reached.

Another point also cannot be lost sight of, and that is that wars of exhaustion can no longer be spread over such lengthy periods as was possible even as late as a century ago. The annihilation of space by modern inventions; the perfection of instruments of destruction; the sensitiveness of all markets; the heavy population burden which in almost every country has to be borne; and the disappearance of the buffers which formerly existed and served to lessen war-shocks and to obscure the war-draining process: these and many other things tend to make exhaustion wars in the old sense things of the past, although it is certain that even modern wars may defeat all calculations as to their length. And in the case of Japan another burden is added which would not exist to such an extent in the case of any of the first-class Western Powers—the burden of maintaining unimpaired the foreign exchange, and safeguarding it constantly in advance to such an extent that no war-shock, however great, would destroy the credit of a country whose gold standard, established but eight years ago, has never enchanted foreign critics owing to the fact that it cannot be called a gold standard absolute, but rather a gold standard fictitious.

Under these circumstances, apart from the ordinary risks of war, Japan has shown no little heroism in facing the great odds which confronted her at the outset; and it is safe to say that no country at any time has had a less inviting prospect to face than that which must have engaged the attention of the Government's financial experts, whilst the Tokyo Foreign Office was exhausting its patience in vain *pourparlers* with the Viceroy of the East. It is time to attempt the analysis of some of these difficulties and to estimate the exact number of years and months during which it will be physically possible for Japan to continue waging war on the grand scale which the unforeseen

capacity of the Siberian railway and the great climatic and natural difficulties attendant on Manchurian campaigning have made necessary.

The budget for the first eleven months of war contained an estimate which was somewhat exceeded, owing to the fact that the calculations of the Headquarters Staff at Tokyo erred on the side of moderation, and, as the estimate for the succeeding twelve months of 1905 shows, the war-budget of 1904 can at best be called one which provided for a campaign on a three-quarters scale, whilst the full or maximum scale is almost reached in the second year. For the year 1904 the estimate was 576 million yen, or say £57,000,000 sterling; whilst for 1905 the figures rose to 780 million yen, or say £78,000,000 sterling. Even admitting that the conclusion of the naval warfare brought about by the destruction of the Baltic fleet will diminish one great item of expenditure, it is unwise to suppose that the yearly military bill could be made less than the entire naval-military estimate for 1905. On the contrary, there is every reason to suppose that the Manchurian field-armies will have to be constantly augmented—unless the fates once again offer gratuitous aid by arresting the progress of the war with increased internal disturbances in Russia—and that the numbers of Japanese soldiery in the field will rise methodically from 300,000, which was the original estimate, to 1,000,000 men by the beginning of 1906, and that if then even such great numbers are insufficient to accomplish their purpose, Japan will make a further effort and place an additional force of half a million conscripts in the field.

If such is the case, then £80,000,000 sterling will be a very moderate estimate for the yearly military bill, and is likely to be much exceeded in 1906. It will be seen at once that the problem is a tremendous one, and that as one month passes into the next, monetary stringency may become more marked in Japan, although there will also come a tightening of the national lips and an increased determination to win or die.

Dividing the war-budgets of 1904 and 1905 up into their component parts, it is seen that four great sources of supply are available : (a) economies effected in the ordinary budget and handed over to the war-budget ; (b) extraordinary or increased taxation, which may be termed war-taxation ; (c) domestic loans floated in the form of exchequer bonds, which are secured on the entire receipts of the Government ; and (d) foreign loans issued on European markets on the security of regular sources of revenue allocated to their service. Source (a) is limited, and cannot be increased beyond a certain point ; source (b) is capable of an expansion which, however, must never press so heavily as to cripple production and stifle international trade exchange ; source (c) is not likely to provide yearly funds, excepting in very special circumstances, exceeding those the sum total of those domestic loans issued during the first eleven months of the war, *i.e.*, £28,000,000 sterling ; and, finally, source (d) may continue to be utilised so long as interest and debt service can be secured on well-defined sources of revenue. It is therefore source (d) more than any other which affords an index to the resisting power of the country ; for it is plain that so long as war continues to be waged, foreign loans will have to be floated in increasing amounts so as to maintain foreign exchange by constantly replenishing the gold reserves of the Bank of Japan, which in turn will permit of an ever-increasing issue of paper yen notes necessary for the inflated war turn-over in Japan itself. And apart from this the heavy purchases of war-material and warlike stores on foreign markets can only be met by borrowing the funds with which to pay for such extraordinary disbursements on the same markets.

Taking now the war-budget of 1905, it is seen that economies effected in the ordinary budget [source (a)] provided a sum amounting to 124,950,000 yen. It may therefore be assumed that this source of revenue has been exploited to its maximum capacity, and that further demands on the ordinary budget would only defeat their own object by crippling the country through false economy.

125,000,000 yen may be thus assumed to be the yearly sum available from domestic economies in the regular course of events.

Taking next what has been termed extraordinary or war taxation, it is somewhat difficult to arrive at as clear a conclusion. In 1904 the extraordinary taxation produced the sum of 62,000,000 yen, because all the ways and means possible had not yet been devised or put into force, or that it was not deemed advisable to apply them immediately. In 1905 the exigencies of the situation brooked of no refusal, and increased taxation was imposed in various directions. The most important increases were in the land-taxes, the Customs duties, the saké, income, business and mining taxes, the salt monopoly, and stamps. But even with all these increases extraordinary taxation produced only 74,120,000 yen.

Supposing that receipts equal, if they do not exceed, the calculations of the Ministry of Finance, we therefore arrive at the conclusion that at least 200,000,000 yen will be yearly available for an indefinite period from these two internal sources. This is an important result, for it establishes that internal revenue, ordinary and extraordinary, cannot be counted on to produce more than £20,000,000 sterling for the conduct of the war, although, perhaps, if the end were in sight, £5,000,000 sterling more might be squeezed from luxuries, such as saké, &c., &c. Classes C and D must find the balance, and must continue to do so without fail, or else the money markets will demand a cessation of hostilities.

It has already been stated above that internal loans cannot be floated yearly in excess of a certain amount, for there are limits to the lending capacity of even the most loyal and determined population in the world. A scrutiny of the subscription lists for the 1904 exchequer bonds, and some knowledge of subscription methods, convinces one that £30,000,000 sterling is a sound yearly estimate. It may be therefore held that Japanese exchequer bonds to the amount of 300,000,000 yen can be placed yearly on the

Japanese markets, and that these bonds will all be taken up. The fact that all existing issues of these bonds, five issues totalling 480,000,000 yen, have been in each case over-subscribed three or four times is proof of this. Japan can thus afford to spend yearly 500,000,000 yen on the conduct of the war collected from her own resources; and, therefore, assuming that strenuous efforts will be made to keep the yearly war expenditure at 800,000,000 yen, or, say, £80,000,000 sterling every twelve months, a sum somewhere between £30,000,000 and £40,000,000 must be borrowed from the money markets of England and America. The first point to decide in this connection is: what is the maximum sum Japan can borrow abroad, assuming that no loans can be issued which are not secured by the setting apart of definite sources of revenue for loan service? This sum, as will be shown, is considerably greater than has been popularly imagined.

During 1904 two sterling loans were placed on the London and New York markets. The first for £10,000,000 was a 6 per cent. loan issued at 93½, and secured as a first charge on the Japanese Customs receipts. In London the amount called for was over-subscribed about thirty-one times, and in New York five times. The second loan was a £12,000,000 6 per cent. loan issued at 90½, and secured as a second charge on the Customs receipts; but the amount subscribed, six times in London and New York, was considerably less than in the case of the first war-issue. In 1905, the fall of Port Arthur and the complete destruction of the original Russian Far Eastern fleet at last opened the money bags of Europe on favourable terms, and a £30,000,000 loan, bearing 4½ per cent. interest, and secured on the tobacco monopoly, was issued at 90 in the usual way in London and New York; nearly £200,000,000 are reported to have been subscribed. This third sterling loan provided all the funds which it was necessary to borrow outside of Japan during the fiscal year of 1905.

Thus in two years Japan has borrowed £52,000,000

sterling abroad at an average rate which cannot be considered unfavourable. The actual sum produced by loans having a face-value amounting to £42,000,000 was exclusively for the second year of the war; for the second 6 per cent. loan raised in November of 1904 was employed for the 1905 expenditure, and not for 1904. It now remains to be seen what other sources of revenue can still be mortgaged for foreign debt service.

The Customs duties are estimated to produce during 1905 21,000,000 yen. The two Customs loans secured on these receipts aggregate £22,000,000, and require £1,320,000, or, say, 13,000,000 yen per annum for their interest, excluding sinking-fund, which should be provided, as the loans are for short terms. If 10 per cent. of the estimated Customs receipts is deducted for collection expenses, and another 20 per cent. for possible shrinkage, or 30 per cent. in all, which would mean 6,300,000 yen, it will be seen that there is but scant margin for further borrowing on the security of this source of revenue. At most a small loan of £5,000,000 or £6,000,000 sterling might be raised. It is best, therefore, to treat this source as exhausted.

The third foreign loan of £30,000,000 is secured on the newly-established tobacco monopoly. This monopoly is estimated to produce 32,000,000 yen, or, say, £3,200,000 during 1905. The debt service requires but £1,350,000 of this sum, and leaves a surplus of £1,850,000 sterling. Deducting the same 30 per cent., or, say, £960,000 for collection and shrinkage, there would be still a margin of nearly £900,000 sterling, providing ample security for at least another £20,000,000 loan, as it is believed the tobacco estimate will be largely exceeded by receipts. This issue would exhaust the borrowing power of the tobacco monopoly. But there is another Government monopoly—the salt monopoly. During 1905 this source of revenue is estimated to produce 16,000,000 yen, or £1,600,000. Supposing Japan can continue to borrow as cheaply as she has been able during the first part of 1905—i.e. at $4\frac{1}{2}$ per cent.—then there is ample security here for the issue of a £25,000,000 loan. Thus,

for the year 1906 Japan could find war funds by issuing loans aggregating £45,000,000, secured as a second charge on the tobacco monopoly and as a first charge on the salt monopoly. But £40,000,000 sterling will suffice. What other sources of revenue she will mortgage is still uncertain.

Assuming these figures as correct, for the sake of illustration, by the beginning of the financial year of 1906 Japan would have borrowed abroad :

two sums equal to £22,000,000 at 6 per cent. interest.

one sum equal to £30,000,000 at $4\frac{1}{2}$ per cent. interest.

and (say),

- two sums equal to £40,000,000 at $4\frac{1}{2}$ per cent. interest or a total of £92,000,000 sterling, or 920,000,000 yen, demanding yearly a sum of 44,700,000 yen in interest.

But Japan has still other resources, such as the Government railways, producing 9,580,000 yen per annum, and the land and silk taxes, which together now produce upwards of 124,000,000 yen per annum. Some of this revenue could be allocated to debt service if necessary. But to prove the possibility of this being done, certain figures must be quoted.

The ordinary annual expenditure of Japan has been cut down to 210,000,000 yen, and even from this a further sum of 31,000,000 yen—the ordinary expenses of the army and navy—must be deducted. Putting the ordinary net expenditure at the starvation figure of 180,000,000 yen, and the total gross revenue at 304,000,000 yen (excluding the increased taxation, which produces 80,000,000 yen), there is an ordinary surplus of, say, 124,000,000 yen. The internal debt of Japan existed prior to the war, amounting to only some £55,000,000 sterling, and is included in the ordinary estimates of the Ministry of Finance. And the debt service of the internal war loans can be discharged by temporarily paying interest from fresh borrowings if

necessary. During 1904 280,000,000 yen of internal war loans have been issued; during 1905 200,000,000 yen; and during 1906 it is best to assume that 400,000,000 yen must be issued. Internal war loans will, therefore, probably total 880,000,000 yen by the end of 1906, and the entire position by the middle or the end of the next year (1906) should be:

External loans 920,000,000 yen, demanding
44,700,000 yen in interest.

Internal loans 880,000,000 yen, demanding
54,800,000 yen in interest.

Total loans 1,800,000,000 yen, demanding
100,500,000 yen in interest.

Under such circumstances, with £180,000,000 in loans outstanding, and a debt service amounting to nearly £10,000,000 per annum necessary, the budget for 1907 will be hard to frame, unless the position in the field changes the entire aspect of the war and places Japan on certain defensive lines. For to spend yen 100,000,000 for debt service out of a total yearly surplus from ordinary revenue of 124,000,000 yen (allowing the ordinary army and navy expenses to be included as a *bond fide* surplus, although such is not the case) would be leaving but a narrow margin for safety. For some time exchequer bond interest might be discharged out of fresh borrowings, but such a course could not be long continued.

But at the end of 1906 it may be still necessary to continue the war, and, therefore, a budget will have to be drawn up with commendable promptitude. But borrowings would be much increased by the weight of the loans of 1904, 1905, and 1906, which will divert revenues still figuring as surpluses in the first war-budgets. To the ordinary £30,000,000 or £40,000,000 sterling which would have to be borrowed for the war from England and America, would have to be added an additional amount of £10,000,000 sterling to make up for the loss of ordinary

revenue. Could security still be found for such borrowings? It could.

By mortgaging the silk tax, which produces annually 60,000,000 yen, ample security could be found for a £60,000,000 sterling $4\frac{1}{2}$ per cent. loan; and by offering the land tax, which produces a revenue amounting to 63,000,000 yen, excluding the war taxation, a further sum of £60,000,000 or £70,000,000 sterling might be obtained. Finally, by giving concessions for the mineral rights in Japan a relatively speaking heavy sum might also be raised.

But by the middle or end of 1906, if the war continues, the Japanese field armies will have finished their offensive operations. Field-Marshal Oyama's forces will be firmly entrenched in a vast irregular triangle, which may become as famous as Wellington's lines at Torres Vedras. Commencing at Tiehling and Changtu-fu, these lines will stretch *via* Petuna on the Nonni river to Harbin; from Harbin, following the right or eastern bank of the Sungari river, they will go north by east along the banks of that waterway to the Amur river; following the Amur until Khabarovsk is reached, they will reach finally the Pacific, on whose shores the Russian eagles will no longer be found. Here, if Czarism decrees that the war must still continue, the Japanese armies of occupation can await in confidence the last onslaughts of a despairing autocracy, and beat the Russian offensive to the pulp of exhaustion. It is the formation of these lines which are now engaging the attention of the military authorities in Japan.

From a financial point of view, the possession of this triangle will be important. For a number of loans could be then floated after a short interim on a security other than that of Japanese internal revenues. Two territorial loans will be possible—the Saghalien loan and the Primorsk or Pacific province loan—both secured on the mineral, lumbering, and fishing and other rights of these rich but undeveloped blocks of land. In Manchuria itself, the

Chinese Eastern Railway—10,000 miles of which will be in Japanese hands—will provide security for a £10,000,000 or £15,000,000 sterling loan. The mineral rights in Manchuria and the lumber rights in the same vast regions, at least 50 per cent. of which Japan might claim, after arranging with China, for a period of twenty-five years, would give security for further loans. And thus, if Japan succeeds in establishing the triangle by the end of 1906, the expense of such temporary occupation could be met by loans raised, so to speak, locally. Even though Russian obstinacy delays somewhat the Japanese advance, this will not affect Japan's determination, as I have already been at some pains to show. She can frame a war-budget of 300,000,000 yen on her own resources for the year 1907, and it is not inconceivable that active operations will be prolonged by her beyond that date. So determined is her loyal population to see the whole matter through, that all native bond-holders would be prepared to forgo all interest temporarily for a term of one or two years.

It rests then, to a great extent, with the London money market how long the war can be continued. If Russia decides on a war of exhaustion fought to the bitter end, Japan, so long as she is properly supported by her ally, can continue the war until the end of the year 1908. By that time, the war having lasted four and a half years, Russia's credit and resources in men and money should be thoroughly exhausted, and nothing remain for her to do but to consent to an armistice. Her best financiers calculate that four years is the utmost limit of her endurance. But it is necessary for Japan to bring her active operations to an end by the middle of 1907, if such a thing is humanly possible. Then, if the Sungari Amur triangle is established, further financing will offer no insuperable difficulties, although the total cost of the war will approximate to £300,000,000.

Not the least of the great surprises of the war will thus be the resisting power of a nation which wiseacres imagined

would collapse after the strain of twenty-four months' heavy fighting. It is to be hoped that no people, with the war spirit of the Japanese, will ever lack supporters who will be ready to back their admiration with the best form of sympathy in the world—the admiration which expresses itself eloquently in loan subscriptions.

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